No. 29,676

Tuesday July 16 1985

D 8523 B

Business summary

Reagan continues Quarterly earnings 'superbook' recovery

ued to recover "superbly" from Saturday's major surgery as he await-ed results of a cancer test in Bethesda Naval hospital, the White

Doctors said they were "running out of superlatives" to describe Mr Reagan's resilient condition. It was Page 17 confirmed that he would return to the White House within five to eight days for a period of convalescence. White House staff were to review the President's schedule over the next three to four weeks, in which he is expected to undertake only light duties. However, Mr Reagan Xiannian of China, who will be vis-

Greenpeace inquiry

Detectives flew to Norfolk Island in the South Pacific to interview the crew of a French yacht in connection with the explosion that sank the Rainbow Warrior, flagship of the Greenpeace environmental

Farm document

EEC farm ministers were perusing for the first time the European Commission's controversial discussion document for the reform of the Common Agricultural Policy (CAP)

Force 'justified'

The U.S. was entitled to use necessary force to defend its interests in the war against terrorism. Abraham Sofaer, legal adviser to the State Department, told the American Bar Association conference in London. Page 7

Live Aid plea

Organisers of Saturday's "Live Aid" rock concerts in Landon and Phil-adelphia have invited relief agen-cies working in Africa to apply for in donations and pledged contribu-

China fires missile

China successfully fired an underwater ballistic missile from a submarine, the China News Service said. It gave no details of the date or place of the firing.

UN conference hitch

The UN Women's Conference opened in Nairobi with the 4,000 delegates divided over what to discuss. Preparations for the conference were hampered by political skirmishing between the U.S. and Third World countries.

Zimbabwe reshuffle

Zimbabwe Premier Robert Mugabe dismissed Agriculture Minister Denis Norman in reaction to the white support for former Premier Ian Smith in last month's election.

Beirut militia warned Lebanese Premier Rashid Karami

ordered all militia groups off Bei-rut's streets after Syrian officers joined a peace committee. Page 3.

Bhopal babies

At least 21 babies have been born deformed and 36 women have suffered miscarriages in the central Indian city of Bhopal since last December's poison gas leak, the Health Minister of Madhya Pra-

Spending trimmed

A report by the European Commission said worries about unemployment have made Europeans trim their spending.

Bank demo halted

Kharioum police used clubs to break up demonstrations by bank workers demanding an inquiry into alleged corruption in the central bank of Sudan.

President Ronald Reagan contin- CHASE MANHATTAN, the third largest U.S. banking group, has an-nounced a 45 per cent increase in second-quarter net earnings to \$131m. J. P. MORGAN, the fifth largest U.S. banking group, said second-quarter net earnings in-creased by 51.9 per cent to \$157.5m.

> CONTINENTAL ILLINOIS, the Chicago bank restructured last September after a Federal led rescue made second-quarter net earnings of 537.3m after \$39.3m in the first three months. U.S. bank results,

still planned to meet President Li WALL STREET: At 3pm, the Dow Jones industrial average was up 3.92 at 1,342.52. Page 40 iting Washington next week.

LONDON shares were higher, buoyed by bank base rate cuts, retail sales data and the strong pound. The FT Ordinary index added 11.2 to 937.2. Page 40

TORYO stocks fell heavily, taking the Nikkei Dow market average down 240.72 at 12,598.77. Page 40

HONG KONG shares advanced as the 1 percentage point cut to 7 per cent in local prime rates, an-nounced at the weekend, took ef-fect. The Hang Seng index was 24.71 higher at 1,615.78. Page 40

DOLLAR remained weak in London, falling to DM 2.877 (DM 2.89). FFr 8.7475 (FFr 8.78), SwFr 2.392 (SwFr 2.3995) and Y237.85 (Y240.85). On Bank of England figures, the dollar's index fell to 138.4 from 138.9. Page 33

STERLING improved against the dollar in quiet London trading, closing at \$1.3885 (\$1.368) but was nnchanged at DM 4.0 and FFr 12.145, and eased to SwFr 3.32 (SwFr (3.325) and Y330.25 (Y333.5). The pound's exchange-rate index fell 0.2 to 63.2. Page 33

GOLD rose just \$0.25 on the London bullion market to \$316.50 and \$0.50 in Zurich to \$316.25. Page 32

ITALY: Imports' share of car man ket was 4 percentage points higher in first six months than in same pe-riod of 1984. Renault and Volkswagen made the most headway. Page 4

ISRAEL announced that prices rose by 14.9 per cent last month, a record high for June. Prime Minister Shimon Peres met union leaders to avert a general strike with inflation

for 1985 projected at 285 per cent. POLAND finally signed an agreement with its main Western trading partners on rescheduling about \$12bn in debt repayments due for the 1982-84 period. Page 2

E.R. LEWIS, a four-partner British stockbroking firm, is to merge with Scringeour Vickers, the London securities arm of Citicorp, the U.S.

INTERNATIONAL Finance Corporation investments increased by 55 per cent to a record \$610m in the year ending June 30 and net income

rose 8 per cent to \$28.3m. Page 4 KUALA LUMPUR Stock Exchange, whose industrial index has plunged to a 30-month low, is expected to introduce a delayed one-month con-

tract system next month to stimulate activity. Page 18 LEVI STRAUSS, the world's largest maker of jeans, announced that president Robert Haas and other members of the founding family would offer \$50 a share in cash to

return the company to private

ownership. Page 17 AUSTRALIAN consortium led by Leighton Construction won a HK51bn (\$129m) contract to build the first phase of a rapid-transit rail system in Hong Kong's north-west New Territories. Page 4

We apologise to readers for the in-accuracies on the UK building soci-ety rates table published on Saturday. The correct figures are on Page 6. We also apologise for the omission of one page of unit trust prices in yesterday's edition.

Toshiba agrees to semiconductor link with Siemens

BY CARLA RAPOPORT IN TOKYO AND JOHN DAVIES IN FRANKFURT

leading electronics companies, have agreed on a wide-ranging pro-gramme of technological cooperation in semiconductors.

The deal, believed to be the first

of its kind between a European and Japanese electronics company, will include exchange of new technology, in both the production and de-velopment of products at each company. It may also lead to the joint development of new products. In the first part of the deal, Siemens has agreed to pay Toshiba an unspecified sum for design, testing

store Im bits of data. Samples of those chips were first

TOSHIBA of Japan and Siemens of West Germany, two of the world's leading electronics companies, have producing before the end of the latest the state of the latest two latest latest two latest l duce the cost and size of computers. Toshiba and Siemens have also agreed on a cross-licence agree-ment for the entire field of semicon-

> mutual worldwide rights. nology to other companies. The Siemens deal will not cover any joint marketing schemes.

and production data on Toshiba's The link is a significant boost for and production data on Toshiba's The link is a significant boost for new 1-megabit dynamic random Siemens in the race to produce the on Toshiba's expertise in various advanced products based on them. Siemens recently decided to put put on the market last month, and more money and manpower into its has already conceived its 1-megabit

year, about a year earlier than pre-viously planned. The chips will re-duce the cost and the chips will re-Siemens is co-operating with Phi-lips of the Netherlands in develop-

ing the 4-megabit chip and has a target date of 1989 for production. The West German company is ductor component petents, with building a plant at Regensburg in The Japanese company said yes-terday it would be willing to nego-l-megabit and 4-megabit chips. The Bavaria as a production centre for

tiate the sale of its 1-megabit tech-nology to other companies. The Sie-cost DM 330m, but with Siemens forcing the pace, the cost has risen to about DM 540m.

access memories, which are able to next generations of chips and the aspects of complementary metal-oxogy. The West German company To shib a intends to begin full-scale production of the 1-megabit chip and later a 4-megabit chip and later a 4-megabit chip and later a 4-megabit chip, able to store 4m bits of That will help to speed up Sie-

Paris wary of Japanese plans to open markets

BY DAVID HOUSEGO IN PARIS

THE FRENCH Government reacted sceptically yesterday to pledges by Mr Yasuhiro Nakasone, the Japanese Prime Minister, to open the Japanese market further to im-

Mme Edith Cresson, the Minister of Industry and External Trade, said that France experted a "certain number of concrete steps" from the Japanese Government and that Japan would be judged on the results Mr Nakasone is in France on the

also take in Italy, Belgium and the French market by establishing EEC Commission. His visit to manufacturing facilities in France. France coincides with growing concern about the bilateral trade deficit, which has swollen to FFr 15bn (\$1.7bn) but which is also beginning to be offset by increased Japanese investment in France.

year compared with only six in group, and Sony and Akai, 1980. He pointed out that a third of Answering French critical

vestment had been created by Japa- its market further by both lowering nese companies.

towards each other.

tionism three years ago when Paris pan last year. required that all Japanese imports. Mine Cresson, the most outspoin central France. Japanese compatry that was "protectionist both in
nies have since increasingly sought its habits and in its regulations."
to gain an inside foothold in the
She received strong backing from
ing the squeeze on inflation.

thrown overboard the Socialists' traditional hostility towards Japanese investment in favour of encouraging it for the technological and Mr Nakasone made the most of employment benefits it can bring, hat at a press conference yester-

France last year through foreign in- some said that Japan was opening justified.

customs tariffs and by easing its and Civil Service Committee of The increase in Japanese invest-standardisation procedures. But he ment reflects a significant change also called on French companies to in the attitude of the two countries make greater efforts to penetrate make greater efforts to penetrate towards each other.

The Japanese were taken aback by the strength of French protection many, which sold 10,000 cars to Ja-

of video cassette recorders be pro- ken of senior French ministers, yescessed through customs at Poitiers terday described Japan as a coun-

M Yvon Gattaz, the head of the French employers' association, who said that Japan's recent import liberalisation measures were "totally In his discussions with President

François Mitterrand, Mr Nakasone formed the impression that the French leader would attend the summit of leading industrialised that at a press conference yester-day by saying that 28 Japanese companies that have re-cently made new investments in nations in Tokyo next year. He said companies had set up in France last France include Sumitomo, the tyre he thought M Mitterrand's criticisms of the summit procedures for 1980. He pointed out that a third of Answering French criticism of being "too bureaucratic" and too the 13,400 new jobs created in Japanese protectionism, Mr Naka-much of a "political show" were well

FFranc Dollar

£ steady as UK banks cut key rates

By Philip Stephens and Max Wilkinson in London

THE COST of borrowing fell in Britain yesterday as banks followed ast week's lead from the Bank of England to lower their base lending rates from 12½ to 12 per cent.

There were hopes that if the dol-lar's recent decline gathered pace and interest rates elsewhere in Europe fell, then there might be scope for another small cut over coming weeks.

Yesterday the pound shrugged off the base rate move to end the day little changed from Friday as the dollar remained under pressure against all currencies.

day's move, but the Confederation of British Industry said it was still concerned that borrowing costs were far too high.

Mr Nigel Lawson, the Chancellor of the Exchequer, indicated that he was taking a cautious line on interest rates and was against a rapid fall. He told the all-party Treasury MPs that he intended to maintain interest rates at a high enough level to maintain downward pressure on

Interest rates are a very important instrument of anti-inflation policy but they are not themselves an objective of policy," he said. Mr Lawson held out some hope, however, that further falls in the

Mr Lawson said that the dollar was clearly overvalued despite its recent fall, but the pound was much more "realistically valued" in relation to the currencies of Britain's trading partners.

He once again downplayed the significance in Treesury policy of the broad measure of the money supply, sterling M3, which has recently been growing much faster

Continued on Page 16 Record UK retail sales, Page 7; Lex, Page 16; Money markets, Page 33

Belgium faces poll as six ministers quit

BY QUENTIN PEEL IN BRUSSELS

night, after five ministers served notice to quit in the political storm over responsibility for the football tragedy in the Brussels Heysel Sta-dium in May.

All the ministers in the Frenchspeaking Liberal Reform Party (PRL) backed the lead of M Jean Gol, a deputy prime minister and the Justice Minister, who earlier handed in his resignation to M Wilfried Martens, the Prime Minister.

The calls last week and threatened to take the rest of his party with him out of the government.

Although M Gol's Liberal colleagues finally bowed to that threat on Saturday, and did not insist on M Nothomb's departure, the latest

They were protesting at the fail-ure of M Charles-Ferdinand Nothomb, the Interior Minister and the senior member of the four-party Government from the rival Social Christian Party (PSC), to quit after a strongly critical report on the Hevsel disaster, in which 38 people died in the crowd at the Liverpool-Iuventus European Cup final.

The Liberal party decision was announced last night by M Louis Michel, the party chairman, leaving M Martens with little option except to ask Belgium's King Baudouin to dissolve his Government. M Michel said it was the first time that a Belover a question of political morality ernment survival. the refusal of a minister to accept his personal responsibility.

A parliamentary inquiry into the disaster blamed not only the Liver-

BELGIUM'S centre-right coalition ments at the stadium, under the ul-Government was set to fall last timate authority of the Interior Minister

> M Nothomb, the leading member of the French-speaking Social Christians (PSC) in the four-party coalition, resisted the resignation calls last week and threatened to

M Nothomb's departure, the latest move once again puts the Government's narrow parliamentary maiority at risk.

M Martens held talks throughout yesterday afternoon with leaders of all the parties in his government, including his own Flemish Christian Democrats (CVF) and the Flemish Liberals.

M Gol said in his resignation letter to M Martens that he was quit-ting because of the "unjustified re-fusal" of M Nothomb to accept the responsibility of his office, and because of the insistence of other parties in the Government to elevate gian Government would have fallen the dispute into a question of gov-

In Belgian political circles, his move is seen as an attempt to save face after withering criticism of his Liberal party in the Belgian press pool supporters for the deaths, but for backing down in its criticism of also the failure of policing arrangeM Nothomb.

Laker settlement set to cost BA \$32.5m

BY DUNCAN CAMPBELL-SMITH IN LONDON

settlement over the collapse of Lak-er Airways, signed in Washington of Laker Airways including 14,000 on Friday, seems likely to leave the dispossessed ticketholders, will state airline with costs of \$32.5m.

This does not include the legal UK and U.S. lawyers since the search began in earnest last December for a settlement of the anticember for a settlement of the anti-trust suit brought against BA and \$4.5m cash from BA to meet the in-11 others by Mr Christopher Morris, the Laker liquidator.

will be \$68.5m, assuming that Sir \$8m set aside for him until August naily; \$18m cash from TWA and 20. Acceptance of this offer will be conditional on Sir Freddie instituting no future legal action on his European airline defendants, inown behalf - or in conjunction with

BRITISH AIRWAYS' out-of-court Funding of the settlement, which comprise: \$16m cash from BA: \$12m to be paid over the next nine years in extra interest payments owing by BA to Export-Import Bank of the U.S. ~ Laker's single biggest creditor - on existing loans to help fund crease agreed last Friday in the leis, the Laker liquidator.

gal fees paid to Mr Robert Beckman, the U.S. lawyer representing Mr Morris, who will receive \$12.5m Freddie Laker accepts a payment of in place of the \$8m proposed origi-

Background, Page 7

BY PAUL TAYLOR IN NEW YORK

manufacturer, yesterday reported its second consecutive quarterly earnings decline. The group blamed softness in the U.S. economy, the strong dollar and customers delaying orders until new models were

in net earnings in the first quarter on revenues which rose by 1 per

For the first half, the computer

STC, British electronics and telecommunications group, an-nounced its first major reorganisation since taking over UK com-puter maker ICL last year. Page 16

compared with \$76.2m, or 73 cents a

\$110.3m, or \$1.10 a share, on reverage to evaluate the trade-off nues of \$1.87hn, compared with net between installing IBM's 308X earnings of \$121.74m, or \$1.15 a share, on revenues of \$1.86bn a ery of the company's new, more

reduced their second-quarter earnings estimates to as low as \$2.20 a share. As a result, IBM's shares gained \$1% to \$125% after the earnings release, having traded as low as \$123% before the announcement.

Among these negative factors Mr Akers noted that customers had mainframes and waiting for delivpowerful 3090 Sierra models. However, he said: "We are pleased with the order rates for the 3090 and, based on improvements in our man-ufacturing schedules, we have been were broadly in line with market able to advance shipments into the

> Continued on Page 16 STC reorganisation; Lex. Page 16; Blunder gave IBM world lead, Page 24

IBM suffers 12.9% decline in second quarter earnings

IBM, the world's largest computer

available. second quarter, from \$1.62bn, or \$2.65 a share, a year earlier. Total second quarter, from \$1.020m, or share, a year earlier. Revenues grew by a modest 2.1 per cent to \$11.4bm from \$11.2bm. The decline follows a 17.9 per cent drop in net earnings in the first quarter.

giant suffered a 15 per cent decline in net earnings to \$2.4bn, or \$3.91 a share, compared with \$2.83m, or \$4.62 a share, in the corresponding period a year ago. Revenues increased by 2 per cent to \$21.2bn from \$20.8bn. NCR, another of the major U.S.

mainframe computer makers, also

announced that its net earnings fell

Net earnings fell by 12.9 per cent to \$1.41bn, or \$2.30 a share, in the cents a share, in the second quarter.

IBM's latest results - which had been eagerly awaited as a key indicator of the current state of the troubled U.S. computer industry expectations. Indeed, some analysis, concerned by IBM's recent profit warnings, rumours of heavy inventories and an expected round of price cuts, had recently further

Mr John Akers, IBM's president and chief executive, said: "The financial health of our business continues to be sound despite several factors that have adversely affected our earnings in the short term."

WHAVE YOU CLOCKED TO IT SIN SOURCEST TO SIN SO

The Peterborough Effect

CONTENTS -

| Europe 2 |
|----------------------|
| Companies 17 |
| America4 |
| Companies 17, 19 |
| Overseas |
| Companies 18 |
| World Trade 4 |
| Britain 6, 7 |
| Companies 20, 21, 23 |
| Companies 20, 21, 23 |
| |
| • |

Agriculture 32

 Currencies
 33

 Editorial comment
 14

 Eurobonds
 17, 19

 Letters..... Management 11
Market Monitors 40 Men and Matters 14 - World Guide 10 London 34-36, 40

Commercial Law 29 Technology 24

Commodities 32 Unit Trusts 29-31

Crossword 29 Weather 16

India: cleaning up Ganges Britain: newspaper industry

pollution 3 union under pressure 15

loses its independence 8 rates; IBM; Montedison .. 16 Editorial comment: Mexico; Vans and light trucks:

Europe: Eureka emerges Anti-apartheid: U.S. Senate from incubation period.... 2 fans the flames........ 14

Mexico: alchemists ensure Lombard: a question of Management: when business Lex: U.S. bonds; UK interest

British Council 14 Survey Section III

G. R. (Holdings) plc (Registered in England No. 449563)

OF ITS OWN ORDENARY SHARES OF 25p EACH ("ORDINARY SHARES")
AT A MAXIMUM PRICE OF 25p FER SHARE

ock Exchange ("on-market") or directly to the Company "roff-market") will open today seeday 16th July, 1985 and close at 3.30 p.m. on Monday 39th July, 1985. The terms of the older offer and instructions on what action Ordinary Shareholders should take if they wish is offer some or all of their shares are set out below.

Ordinary Shareholders are invuted to tender at a price within the range of of 50p per share and 270p per share inclusive.

The maximum number of Ordinary Shares for which the Company will see tenders is 850,000. Ordinary Shareholders will be able to tender all or some of their shares, be more than \$50,000 Ordinary Shares are tendered, applications may be scaled down, ballote, rejected as explained in paragraphs 4 and 5 below.

If tenders of Ordinary Shares representing less than 1 per cent, of the voting righted to the Company's Ordinary Shares (being 41,336 Ordinary Shares) are received, it roffer will be void.

4. If the number of Ordinary Shares tendered for sale is more than 850,000, the striking price (being the price than the Company will pay) will be the lowest price at which the number of shares sought (i.e. 850,000) is met and all shareholders who tender at or below the striking price will receive that price. If necessary, tenders made at the striking price will be scaled down pro rate or balloted.

 No tenders at above the striking price will be accepted and sha aware that it is possible that the striking price could be less than 270p. If the number of Ordinary Shares tendered for sale is less than 850,000.
 holders will receive the maximum price of 270p, subject to paragraph 3 above.

Subject to the provisions of paragraph 3 above, all tenders lodged by at ir behalf, by their agents, will be arrevocable. It will be open to Ordinary Shareholders to tender a proportion of their igh The Stock Enchange ("on-market") and a proportion of their squres direct pany ("off-market").

Tender prices must be expressed in pence (including tractions). The only fraction of enary which will be accepted is Vap. Tenders with prices shown in decimals or otherwise of incomplete or unacceptable by The Stock Exchange and the Representative of the of Directon of the Company (see below) may be declared wold.

Board of Directors of the Company (see below) may be declared wold.

10. The tender offer will open on Tuesday 16th July, 1985 and will close at 3.30 p.m., on Monday 29th July, 1985. The on-market tender will be conducted by The Stock Exchange and the off-market tender will be conducted by the Representative of the Board of Directors of the Company. Upon closing, dealings in the Company's Ordinary Shares will be temporarily aspended, the results of both tenders will be managemented and a common striking price will be determined by The Stock Exchange and the Representative of the Board of Directors of the Company by reference to both on- and off-market tenders. The decisions of The Stock Exchange and the Representative of the Board of Directors of the Company as to the striking price and as to which Ordinary Shares have been successfully tendered shall be conclusive and bunding on the Ordinary Shares have been successfully tendered shall be conclusive and bunding on the Ordinary Shares have been successfully tendered shall be conclusive and bunding on the Ordinary Shares have been successfully tendered shall be conclusive.

ing on the Orumany Sharehousers wastner may have terracted on- or out-market.

11. Al 9.30 a.m. on the first business day following the determination by The Stockings and the Representative of the Board of Directors of the Company as to which sary Shares have been successfully tendered at or below the striking price, dealings in your pany's Ordinary Shares with exame and sales will be effected through The Stock Exchange one Ordinary Shares which have been successfully tendered on-market. It is emphasize the terms of such sales may in no circumstances be subsequently waried; nor will such takes a settlement thereof be conditional on the approval of off-market purchase contracts.

to Scientific Interior be continued to the approval of off-market purchase contracts.

12. Sales resulting from successful on-market tenders will be for normal Stock large Account Scientific and on the successful of the seritement on Monday 19th August, 1985, being the artherient day for the main ending on Friday 9th August, 1985. Ordinary Starcholders who have successfully seen the surface on-market will therefore receive their proceeds of sale (less their normal dealing uses) through their stockbroker or other agent in the usual way once they have provided a share cornificate and squeed the appropriate Share Transfer form. The normal Stock user rules for Account Settlement will apply and buying-in may therefore take place in the tof late delivery of shares.

13. Successful off-market tenders will be subject to specific approval by shareholders in hordinary General Meeting to be held on Wednesday 28th August, 1985. Upon each total being obtained the proceeds of sale will be paid on Wednesday 4th September, 1985 to a shareholders who have successfully tendered off-market and provided a valid share

The taxallon consequences for Ordinary Shareholders depend upon the method which y employ to tender their Ordinary Shares as well as on their own circumstances. ALL AREHOLDERS ARE STRONGLY RECOMMENDED TO CONSULT THEIR OFESSIONAL ADVISERS EEPORE TENDERING THEIR ORDINARY SHARES.

The Board of Inland Revenue have confirmed they are satisfied, on the understate one of the Detectors or their associates will tender Ordinary Shares to the Companies proposed purchase scheme will be such that no notice under Sub-Section (3) of Section Lancoure and Corporation Taxes Act 1970 (causellation of tax advantages from a

Shareholders who wish to tender all or part of their shares through The Stock Exchanuld instruct their stockbroker, bank manager or other professional adviser according eating the number of shares to be tendered and the price or prices at which such shall be tendered. Sales resulting from successful tenders of shares on-market will be subjected Exchange sale commissions, expenses and procedures for actiment. Shareholded and under any dreamathness use the off-market farm of tender for tendering the

A form of tender for those shareholders who wish to tender all or part of their shar barket is available from the Company at its registered office at 68 Upper Thames Stre-ton EC4V 3AR or from the Solicitors to the Company Mesers. Jaques & Lewis of 2 Sou-ire, Gray's lun, London WCIR 5HR; it contains instructions for lodgement which shou

FT HAND DELIVERY-ATHENS



DELIVERY OF THE FINANCIAL TIMES IN ATHENS AND SURROUNDING AREAS FOR INFORMATION CONTACT: BILL VOYATZIS KARNEADOU7-10765 ATHENS TEL: 72-23-469

EUROPEAN NEWS

German exports **'unlikely** to suffer'

WEST GERMAN exporters are unlikely to suffer a basic setback as a result of the decline in the U.S. dollar, according to Dr Helmut Schlesinger, vice-president of the Bun-desbank, the country's central

His remarks yesterday came in a speech from Augsburg in which he argued against suggestions, espe-cially from abroad, that West Ger-many should boost its economy to create more jobs and to shore up world trends in the face of weaken-

ing U.S. growth.

Dr Schlesinger conceded that the dollar decline would erode sales and profit advantages which West German exporters had been enjoy-

ing.
It was unlikely, however, to hit the basic competitiveness of West German exports, which arose from favourable tends in costs of production, including labour costs.

He said it could not be excluded that cost discrepancies between West Germany and most other European countries might lead to ex-change rate adjustments in the Eu-ropean Monetary System, as hap-pened in the past. But he indicated that stable domestic conditions remained an advantage to West Ger-many and would belp employment. Dr Schlesinger said that West German export earnings in the U.S. had doubled in just over two years,

buoyed up by the high dollar in re-lation to the D-Mark. However, most West German exporters had realised that the strong growth of the U.S. economy and the high dollar were not "reliable props" for West German business in

the U.S., he said. Dr Schlesinger, who is a consist ent advocate of cautious budgetary and monetary policies, said that West Germany already seemed assured of economic growth well into next year. For that reason there was no need for new expansionary

In any case, West Germany was too small to take the place of the U.S. in economic expansion. Only Europe as a whole might have such In his view, the dollar declin

would help to support the economic growth already under way in major European countries. This was because the turnround in the currency markets had en-abled a number of countries to re-

duce their relatively high interest Referring to West Germany, Dr Schlesinger said; "Interest rates have already declined and at present are falling further."

had fallen and the Bundesbank had lowered its interest rates in the open market activities through which it influenced the money mar-Dr Schlesinger said that although the Bundesbank used to have grave reservations, the D-Mark had be-

come the world's second most important reserve currency after the U.S. dollar. It was in West Germany's interest now to maintain that role, he said.

Brussels takes softer line on CAP reform

the 14 commissioners over three meetings, the final revision of the paper, published yesterday, has few substantial changes from the original draft submitted by Mr Frans Andriessen the Farm Commissioner, a fort-

EEC FARM ministers were last night perusing for the first time the European Commission's controversial "Green Paper" discussion document for the reform of the common agricultural policy (CAP).

Despite lengthy debate among that the Common controversity of the common agricultural policy (CAP).

Despite lengthy debate among the Mean struction, "adding that the Commission with Herr Karls.

As involved a marked softening of the without an outflow of labour" of the without an outflow of labour of the without an outflow of labour. The paper also appears to soften its original objection to quotas as an alternative means to prices for containing surface with this crucial ment "would not be possible without an outflow of labour" of the without an outflow of labour. The paper also appears to option its original objection to quotas as an alternative means of the common agricultural policy (CAP).

But even with this crucial to prices for containing surface with this crucial to prices for containing surface ment has still met substantial opposition from within the common with Herr Karls.

CAP's central role as the policy (CAP).

Plant North Herr Karls and the first time of the combative tone of the without an outflow of labour" of the without an outflow of labour. The paper also appears to option to olonger appears, But even with this crucial to prices for containing surface ment "would not be possible of the combative tone of the without an outflow of labour."

But even with this crucial to prices for containing surface ment "would not be possible of the combative means to prices for containing surface ment "would not be possible to prices for containing surface ment "would not be possible to prices for containing surface ment "would not be possible to prices for containing surface means to prices for containing surface means of the paper also appears to policy to prices for containing surface means of the without an outflow of labour.

But even with the substantial of the without an outflow of labour "outflow of labour" o of the combative tone of the first paper. An introductory statement, agreed last week, puts heavy emphasis on the CAP's central role as the "cornerstone of European construction," adding that the policy remains "the marriage contract of the European Community."

Intervention by M. Jacques

Intervention by M Jacques Delors, the Commission president, has also ensured that an outspoken warning that farm night ago.

The most noteworthy adjustments have come in the presensentence in the original draft tation of the document which stating that structural adjust- world markets.

Commission with Herr Karl.
Heinz Narjes, the West German
Industry Commissioner, voting
against the paper.
He is said to have wholly
rejected the central premise of
the document that insists like

rejected the central premise of the document that insists, like so many farm reform proposals in the past, that Community prices must be brought closer into line with those of the world markets.

So also has a line dismissing the potential of bio-ethanol production as an outlet for surplus cereals, though this is touched on later.

Some changes have also been made to the chapter on external

trade. Of these, the most note-worthy is the wholly new sug-gestion that the efforts of the EEC to control production over the past months might be argued as justifying certain new rights and derogations under the general agreement on tariffs and trade (Gatt). Taken as a whole, the adap-tations of the draft document are limited. But where changes

are limited. But where changes have been made, they mostly attempt to paint a slightly rosier picture to an audience of farmers who are certain to be highly hostile to the wide ranging reforms mooted and fearful for their future.

Eureka emerges from its incubation period with wide European support

and an accelerated incubation period, the French-inspired Eureka programme to boost technology collaboration in Europe is about to break out of its shell.

Eureka was launched three months ago as an indirect response to the rallying of U.S. high-technology efforts behind President Reagan's Strategic Defence Initiative (SDI). Since then it has surpassed the expec-tations of French officials in gathering broad endorsement from the rest of Europe.

A vigorous Eureka sales campaign in which M Hubert Curien, the French Research and Technology Minister, has played a leading role has succeeded in stoking up interest where initially only lukewarm support or downright scepticism prevailed.

A series of recent announcements from European companies of planned joint Eureka programmes in areas such as computers, semi-conductors and automated is to fill the gap in pooling production has shown that industrialists are taking Eureka

The aim, French officials say, of the Ariane programme in 1973.

The French Government may industrialists are taking Eureka

The EEC's Esprit information inject an additional FFr 7bn-

Firm programmes have been launched by Matra of France with Norsk Hydro of Nerway in high-powered scientific com-puters and with SGS of Italy in integrated circuits.

More tentative projects are being studied by Bull and Siemens to make a Europeau super-computer, and by Me schmitt and Aerospatiale in aeronautics production. Other companies are working on plans technology programme, as well FFr Son into Eureka product on Eureka, to explain in fields like robots and as existing links between Eurogrammes over five years, details of the programme, advanced materials.

The four biggest European as computers and telecommunity the Research Ministry.

cations. There are some differ- on a case-by-case basis. This ences of interpretation among would follow the pattern of the the companies themselves on well-tried industrial partner-how firm a commitment this ships forged under the Ariane represents. But at least Eureka and Airbus aerospace pronow seems to be the right idea grammes.

at the right time—an initiative which catches the prevailing European desire for greater efforts in high technology to catch up with the U.S. and largely for the catch up with the U.S. and largely for the catch up with the U.S. and largely for the catch up with the U.S. and largely for the catch up with the U.S. and largely for the catch up with the U.S. and largely for the catch up with the U.S. and largely for the catch up with the U.S. and largely for the catches are the catches and the catches are the catches and the catches are the catche

The task now is to give Eureka's still-wispy outlines

AFTER extensive fertilisation through diplomatic contacts and an accelerated incubation week's EEC ministerial talks, David Marsh reports on growing interest in the programme

> more definite contours. The inject FFr 140bn (£11.5bn) meeting in Paris between miniinto the domestic electronics sters from 17 European counindustry. sters from 17 European countries, which starts on Wednesday, will aim to come up with list of programme areas, including some definite projects, to be supported. Foreign and Research Ministers, as well as Research Ministers and Government of the support of the

the Eureka umbrella is linked international collaboration.

The aim, French officials say, of the Ariane programme in

YUGOSLAVIA IS interested slavia reproached the EEC for not including it in major industrial and technological in the Eureka project, according to M Mermar, president of the French National Assembly, who had talks in Belgrade at the weekend with Yugoslav leaders, writes Aleksandar Lebi. He said at a news conference that he got the impression that Yugo-

On the question of financing, France is adopting an approach which contrasts dramatically with the unrealistic (and now largely forgotten) plan bran-dished three years ago by M Jean-Plerre Chevenement, the then Research Minister, to

programmes and projects. Yugoslays wanted to know, he said, whether the difference in social systems was an obstacle to participating the Euroka and similar projects.

electronics groups Philips.
General Electric, Siemens and communications. There are some differences of interreptation among a case-by-case basis. This would fellow the nattern of the case of interreptation among would fellow the nattern of the case of interreptation among would fellow the nattern of the case of interreptation among would fellow the nattern of the case of interreptation.

of Eureka are likely to remain below the sums spent by the SDI organisation. But officials claim that the U.S. research programme will probably end

port from countries in Europe averse to military spending, and to emphasise its broader objectives of boosting Europe's entire technological base.

M Pierre Aigrin, scientific adviser at Thomson and a former research minister under the previous Giscard Admini-stration, points out that applica-tion of "military" or "civil" tags to many electronics

tatives, have been invited.

French officials, well aware that Britain in particular eschews any attempt to set up a new agency to add to Europe's considerable research bureaucracy, emphasise the "pragmatic" way that Eureka should be fundered by France to come under the Eureka umbrella is linked fixed by France to products with direct to ficials of projects involving greater the Eureka umbrella is linked international collaboration.

The list of projects put for the Eureka umbrella is linked fixed to find the fixed projects involving greater that the come redeploy- approach to Eureka is the fixed to projects involving greater international collaboration.

The list of projects put for the civilian applications of specials and Government officials believed that one of the overriding aims of SDI is to inject public funds into high-technology areas which, although directly connected to a military project, will have important civilian applications.

The underlying logic of the French approach to Eureka is there will be some redeployment of specials believed that one of the overriding aims of SDI is to inject public funds into high-technology areas which, although directly connected to a military project, will have important civilian applications.

The underlying logic of the French approach to Eureka is that aiming for the civilian applications straight away represents a more efficient way and the control of the overriding aims of SDI is to inject public funds into high-technology areas which, although directly connected to a military project, will have important civilian applications.

The underlying logic of the French approach to Eureka is that aiming for the civilian applications straight away represents a more efficient way and the construction of the overniding aims of specific public funds into night the construction of the overniding aims of specific public funds into night the conservation of the overniding aims of specific public funds into night the conservation of the overniding aims of specific public f

what we really want is a laser for dental applications, why go about it by building one to knock down missiles?" says one Paris officials have been par-

ticularly gratified by support for Eureka in Bonn. This seems to coincide with a waning of West German enthusiasm over a waning of West German en-thusiasm in SDI research.

The U.S. has also struck a concilatory tone. Mr George Bush, the U.S. Vice-President, said earlier this mouth he would welcome a visit to Washington by M Claude Arnaud, who has been France's roving ambassa

come. Sceptical West German companies need to be assured that they will not simply be putting up their own research funds for the pleasure of joining in Eureka. Britain is still carrying long drawn-out negotiato have an over-strong French | tional collective wage agreement

Eureka has helped to foster a degree of co-operation among M Curien and his counterparts from West Germany, Britain and up adding only 20 per cent extra
to large existing programmes
for research into high-powered
lasers and ultra-rapid
computers.

Eureka, in direct contradiction to SDI has been executed. tion to SDI, has been carefully genuine cry of approbation from labelled a civillan programme. Archimedes.

Poland signs accord on debt

By David Marsh in Paris

POLAND has finally signed an agreement with its main Western trading partners on rescheduling about \$12bn in debt payments due for the 1982-84 period.

The accord was reached yester day after a six-month delay following the initialling in Paris of an agreement between Poland and its creditors in January.

Poland had been holding out for Western pledges of fresh trade credits before putting its signature to the accord. It was not clear last tions had agreed to this condition. The rescheduling of guaranteed

amounts outstanding since 1982 over a period of 11 years, with a five-year grace period.
Other details of the rescheduling may be spelled out by the Poles at a press conference in Paris today.

government-to-government debt

will allow Poland to repay the

Christopher Bobinski in Warsaw adds: Poland's economic situation is slowly improving, Gen Wojciech Jaruzelski, the country's military leader, told officially recognized trade unionists at the weekend. But he warned that industrial produc-tion growth in the first half of the year was behind target and wages

were rising too fast. Mr Affred Miodowicz, the unions' national leader, told the meeting that he had government promises that new collective wage agree-ments could come into force by the beginning of next year.

The new unions, which were es-tablished in 1983 to replace the banned Solidarity union and claim tions with the Government on a naformula.

The Government still refuses to accept the principle of framework agreements negotiated nationally between unions and relevant ministries setting out a minimum wage and other conditions of employment which will be binding on the

now independent companies.

The position taken by the Ministry of Labour with the backing of the Government is that under Poland's decentralising economic reforms obligatory national wage agreements would deprive individu-al companies of powers over wage-

Further talks on the issue - in which the unions have the covert sympathy of at least some government ministries anxious to re-es-tablish their previous control over wages - have now been shelved un-

til the autumn. The new unions have, however, been given greater powers over wages and welfare spending at the factory level by changes in the trade union law due to be passed this month. Gen Jaruzelski denied at the weekend that these changes would cut the powers of democrati-cally-elected workers' co-manage ment councils.

However some councils, such as the one at the Cemi electronics works in Warsaw, have already protested at the changes. They argue that the unions which are still boy-cotted by Solidarity are being given greater powers so that they can win more members by spending funds which have been earned by the whole workforce."

Cemi, which employs 8,000, is typical of larger plants in Poland where some 20 per cent of the workforce are union members while 70 per cent or more took part in elec-tions for the workers' council

BY ALEKSANDAR LEBL IN BELGRADE

slavia's economic results for the first six months of this year have proved very disappointing.

According to official figures just released, industrial output rose by 2.9 per cent in real according in the first half, but short of the government goal of a 4 per cent increase. Total exports

For several years now, Yugo-slavia has had to ask foreign

reditors to accept delayed repayment of their loans, and over the first six months of this year indebtedness was reduced by only \$170m.

FINANCIAL TIMES PINANCIAL TIMES
Published by The Financial
Times (Europe) Ltd. Fronkfurt
Branch, represented by E. Rugo,
Frankfurt/Main, and, as members of the Board of Directors, F.
Barlow, R.A.F. McClean, G.T.S.
Damer, M.C. Gorman, D.E.P.
Palmer, London, Printer, Frankfurter-Societäis-DruckerolGmbH, Frankfurt/Main, Responsible editor, C.E.P. Smith, Frankfurt/Main. © The Fluancial
Times Ltd, 1985.
FINANCIAL TREES, MSD. No.

den marc)

Times Ltd, 1985.

FINANCIAL TIMES, USPS No. 190640, published delly except Sundays and holidays. US, subscription rates \$385.00 per anaum. Second class postage paid at New York, N.Y. and at additional mailing offices. POST-MASTER: send address changes to FINANCIAL TIMES, 14 East 59th Street. New York, N.Y. th Street, New York, N.Y.

Notice to Holders

New Zealand

Adjustable Rate Extendible Notes, Series A Pursuant to paragraph Stel of the Fiscal Agency Agreement dated November 7, 1984 between New Zealand and Caribank, N.A., fiscal agent, notice is hereby given that New Zealand has designated a Subsequent Repayment Date and interest rate for the period ending on such Subsequent Repayment Date with respect to New Zealand's Adjustable Rate Extendible Notes, Sariota Aches (Nov. 2012).

Subsequent Repayment Date

New Zealand has designated November 6, 1985 as the next Subsequent Repayment Date.

The interest rate on the Notes from August 6, 1985 to November 6, 1985 will be equal to (a) the weighted average per annum discount rate for direct obligations of the United States with a maturity of 91 days ("91 day Treasury bills"), expressed as a bond equivalent on the basis of a sear of 365 or 366 days and applied on a daily basis, at the applicable 91-day Treasury bill auction (the date of such auction being herein referred to as an "Auction Date") as published by the Board of Governors of the Federal Reserve System or (if not so published) as reported by the Department of the Treasury (the "91-day Treasury bill rate") plus (b) the Applicable Spread (as defined below)

Such Treasury bills are usually sold at auction on Monday of each week unless that day is a legal holiday in which case the auction is usually held on the preceding Friday. If such Treasury bill rate ceases to be so published or reported prior to November 6, 1985, the then current rate of interest will remain in effect until the earlier of November 6, 1985 or such time as such rate is

again published or reported.

The interest rate will be subject to adjustment on the calendar day following each auction of 91-day Treasury bills: provided, however, (i) that the interest rate in effect for the period from August 7, 1985 through the date of the first 91-day Treasury bill auction after such date shall be based upon the results of the most recent 91-day Treasury bill auction prior to such date, and (ii) that the interest rate in effect for the ten day period immediately prior to November 6, 1985 shall be based upon the results of the most recent 91-day Treasury bill auction prior to the tenth day

preceding such date.

The "Applicable Spread" for an Auction Date will be equal to the greater of (a) 50% of the amount by which three-month LIBOR on such Auction Date (determined as provided below) exceeds the 91-day Treasury bill rate on such Auction Date and (b) 60 basis points.

Three-month LIBOR on an Auction Date will be equal to the arithmetic average (rounded upward, if necessary, to the nearest multiple of 1/16 of 1%) of the quotations provided by the principal London office of each of the Reference Banks (as defined below) to the Fiscal Agent on principal London office of each of the Reference Banks (as defined below) to the Fiscal Agent on such Auction Date is offered to leading banks in the London interbank market at approximately 3:00 p.m. (London time) on such Auction Date. If on any Auction Date at least two Reference Banks provide quotations to the Fiscal Agent, three-month LIBOR on such Auction Date shall be the arithmetic average (rounded as stated above) of such quotations: if on any Auction Date less than two Reference Banks provide such quotations, then three-month LIBOR on such Auction Date shall be the same as three-month LIBOR on the immediately preceding Auction Date. "Reference Banks" means Citibank, N.A., The Chase Manhattan Bank (National Association) and Lloyds Bank PLC.

Each holder of a Note will be deemed to have elected to extend the date of repayment of Each holder of a Note will be deemed to nave elected to extend the date of repayment of such Note to November 6, 1985 unless the form entitled "Option to Elect Repayment" appearing on the reverse side of the Note or a facsimile or telex thereof, duly completed by the holder of such Note, has been received by the Fiscal Agent, in the case of Notes in registered form, at its address at 111 Wall Street. Registered Bond Processing Department, Fifth Floor, New York, New York 10043, and in the case of Notes in bearer form, at the main office of the Fiscal Agent in London, NOT LATER THAN JULY 26, 1985.

Dated: July 16, 1985

Candidate for Lisbon PM picked

By Diana Smith in Lisbon

PORTUGAL'S Socialist Party has chosen Sr Antonio de Almeida Santos, a prominent lawyer, as prospective Prime Minister should the party win the general election on October 6. This will enable Sr Mario Soares, the present Prime Minister and party leader, to establish himself as a major contender for the presidential election due in the first week of next January.

Now caretaker Premier of a centre-left coalition government whose powers have been reduced following the dissolution of Parliament last Friday, Sr Soares has long cherished the ambition of being Portugal's first civilian President since 1926 when a right-wing military coup made the office a military monopoly.

His government had the rug pulled from under it early last month when Sr Anibal Cavaco Silva, the new hardline leader of the Social Democrats, withdrew his party from the two-year-old coalition.

However, Sr Cavaco Silva failed to achieve the complete removal of the Social Democrats from the administration, President Antonio Ramalho Eames seeing no alternative, has made the cabinet stay in office until the October election results are

Although the election campaign does not begin officially until early September, leaders of the main parties have already started making strongly worded speeches around the country in an effort to goad lethargic voters into supporting them social and Christian Democrat leaders are discussing resus-citating the 1979-83 alliance which collapsed amid squabbles at the end of 1982 amid serious

Cautionary tales of tigers

By Patrick Cockburn in Moscow TIGERS IN Siberia have killed dozens of people over the past ten years in increasingly frequent attacks, according to the Soviet daily newspaper Izvestla.

The number of Siberian tigers has risen since hunting them was prohibited 40 years ago at a time when they were almost extinct, but it is only in recent years that tigers have moved closer to human in recent years that tigers have moved closer to human settlements. This is because they are finding it more and more difficult to live on wild boar and deer, their natural prey, which it is still legal for people to hunt, compelling the tigers to kill the village cattle.

Soviet specialists say that viliagers in Siberia are often killed by tigers which they have unwittingly provoked. On meeting a tiger, the first thing to do is "Let him know you have no claims on his hunting ground and are not afraid of him." advises Mr V. Zhivotachenko, a leading expert.

are not afraid of him." advises Mr V. Zhivotachenko, a leading expert.

How this explanation is to be made he does not elaborate, but he adds that "critical situations often arise when people run away or try to climb up trees—tigers can lie in wait for a very long time."

In one case a tiger found a dead animal in a village and was dragging it back to the forest when it saw two villagers in pursuit. "It is common knowledge that a tiger does not like to be followed," says Expestia, it rounded on the villagers, knocked one over and sat on him. Instead of lying quietly he poked the tiger in the eye and the animal, thus provoked, bit him to the bone. The man survived, but, the newspaper notes with regret, the tiger was shot dead.

Soviet military moves in East Germany

BY DAVID BUCHAN, EAST EUROPE CORRESPONDENT

THE SIMULTANEOUS military forces.

military forces.

Announcing the changes, the East German news agency said President Erich Honecker thanked the two generals over the weekend for their work and wished them success "in their responsible new work," hardly an indication of any disgrace But the Soviet army newspaper, Red Star, had recently criticised training among Soviet forces in East Germany, and Western analysts said the double departure was unusual, particularly since the reshuffle in the top brass consequent on in the top brass consequent on last December's elevation of Marshal Sergei Sokolov to Defence Minister had seemed to

The Soviet military changes departure from East Germany of General Mikhail Zaitsev, commander of the 400,000 Soviet troops there, and of his top political commissar, General Alexei Lizichev, has prompted speculation among Western analysts that the Kremlin may have ordered a shake-up in the Soviet Union's westernmost military forces.

The Soviet military changes in East Germany come only a few days after Mr Mikhail Gormander, the Soviet party leader, addressed "leading military leading military district in Minsk, the main forward Western command centre inside the Soviet Military forces.

The Soviet military changes in East Germany come only a few days after Mr Mikhail Gormander, the Soviet party leader, addressed "leading military days after Mr Mikhail Gormander, the Soviet party leader, addressed "leading military days after Mr Mikhail Gormander, the Soviet party leader, addressed "leading military description in East Germany come only a few days after Mr Mikhail Gormander, the Borough and the Borough a

Reuter adds from Moscow: The Soviet Government has named three new industry ministers, apparently the latest move in the bid to improve industrial efficiency. The Tass news agency says Mr Alexei Yashin has been replaced as Minister of Construc-tion Materials by Mr Sergei Voyenushkin, Mr Arkady Shchepetilnikov has been appointed Minister of Industrial appointed Minister of Industrial Construction, replacing Mr Yuri Solovyov, who was named Leningrad party chief last week. The Light Industry Minister, Mr Nikolai Tarasov, who retired earlier this month, has been succeeded by Mr Vladimir Klyuyev, a regional party official.

be complete months ago. Yugoslavia's economy has disappointing half year

earlier, representing a slight decline from the peak in May. But even with modest improve-ment in this and other areas over the past month. Yugo-slavia's economic results for the first six months of this tra-

RETAIL PRICES in Yugoslavia rose by 4 per cent, but ship-last month stood 76 per cent ments for hard currency higher than the level of a year increased by only 1 per cent, earlier, representing a slight while imports rose by 10

Karami orders militias off **Beirut streets**

BY NORA BOUSTANY IN BEIRUT

LEBANESE Prime Minister Rashid Karami yesterday ordered militia groups off the streets of Beirut by 6.00 am (0300 GMT) today after Syrian army officers joined a high-powered west Beirut peace

He said police and troops would attack any gunnan ignor-ing his deadline "whoever he may be and to whichever faction

he belongs."

Meanwhile fighting flared across the city's Green Line following belligerent remarks by Mr Walid Jumblatt, the Druze

The arrival of five Syrian observers as part of a co-ordin-ation committee in charge of supervising a plan for ending the anarchy in the Moslem half of the capital did not do much to soothe combatants on both sides of the traditional confrontation line dividing Beirut into Christian and Moslem halves. Mr Jumblatt delivered a fiery speech to members of his Druze militia on Sunday indicating there would be no reconciliation as long as the Christian Phalange Party was in power, a reference to President Amin Gemayel. "They either kill us or we kill them," he told a unit of the People's Liberation Army Kamal Jumblatt forces during a luncheon at his Chouf Moun-

tain residence of Mukhtara. At least 30 Syrian observers and five intelligence officers are expected to establish themselves here to help carry out a security accord hammered out in Damascus last week by 13 of Lebanon's Moslem political and

religious leaders. The Lebanese police, known as the Internal Security Force, will be supported by a Lebanese army strike force to be forged from the various Christian and Moslem brigades, in making sure no militiamen appear on Moslem brigades, in making successful. As shelling kept sure no militiamen appear on the streets with arms and that militia offices that mushroomed in the absence of government suthority, remain closed. The Belrutis held out little hope for intercept and the streets with arms and that and Mr Karsmi said fighting would be tackled separately. crucial and essential step of improvement.

A car bomb exploded yesterday in south Lebanon, killing at least six Lebanese, including two Israell-allied militiamen, Israel army radio said. AP reports from Tel

The report said the car exploded near the village of Tebuit, five miles north of the Israeli border, at a military checkpoint on the boundary of Israel's designated "security zone" in South Lebanon. It was the third car bomb explosion in south Lebanon in less than a week.

collecting weapons from the warring factions is not part of immediate plans. Aides to Mr Jumblatt last

week commented that response by the various groups in closing down offices was just temporary and due to their distrust of one another. The Druze leader threw a damper on the Syrian-brokered security plan by stressing that "there can be no solution in Lebanon as long as this damned (Phalange) party exists.' The Damascus meetings last

week largely aimed at stemming inter-Moslem friction that manifests itself daily with street battles, bomb attacks and killings. The Christian camp, which is divided over its stand on the Damascus initiative, has not been included in, or consulted on, the proposed measures. Mr Camille Chamoun, an expresident and the most senior Christian spokesman has scoffed at the Moslem-negotiated

Damascus agreement. Past experience in Beirnt's jungle of militia power has shown that such security plans are usually shortlived, if at all

Last ditch talk to avert general strike in Israel

MARATHON negotiations were tions, radio and television and continuing in Esrael last night the hospitals which will work as the Government tried to according to normal weekend reach agreement with the shifts, the Histadrut decided unions on pay levels in an effort yesterday. to avert the general strike set

Government and union offisive discussions for the past two days over the level of wage erosion the unions will agree to under the government's new economic austerity programme, designed to battle the soaring inflation and declining foreign

currency reserves.
Officials of the Mistadrut trades union federation said yestrades union federation said yes-terday evening that plans for the general strike were going ahead. The strike would defi-nitely take place, they said, if agreement is not reached on the amount of compensation to be

BY DAVID LENNON IN TEL AVIV

This is part of the govern ment's effort to curb inflation which totals 380 per cent in the past 12 months. It was announced yesterday that inflation in June was a record 14.9 per cent. This was less than the Government had feared, but it does underline the failure of earlier efforts to control infla-tion through voluntary wage and price controls.

Agreement was reached yes terday afternoon on mos aspects of compensation for inflation for wage earners in the private sector. In addition to a 14 per cent one-time pay-ment being offered by the Government, the private sector paid to the workers in return for their agreement to a complete wage freeze for three months.

The strike will be total except for public transport, petrol sta-

Khmer Rouge shifts stance over future Government

BY CHRIS SHERWELL, SOUTH-EAST ASIA CORRESPONDENT

THE Rhmer Rouge, ousted from power in Kampuchea by Vietnamese troops in 1979, has tactly accepted that a future national Government might include the Hanoi-installed Heng Samrin group and not it of national government." a clear that the first many or many not be able to participate in the responsibility of national government.

The admission, which amounts to a significant concession by the militarily powerful Peking backed group, came in a broadcast on Sunday, monitored by the BBC. The broadcast detailed a seven-point statement said to have been agreed at a meeting of Khmer Rouge cadres

on July 5 and 6.

According to the statement, the Khmer Rouge is ready to accept former Prince Norodom Sihanouk as president of Kampuchea and would also the school of the "welcome other Cambodians, including Heng Samrin" if they stopped supporting Vietnam's interests. Currently the Khmer Rouge is part of a three-year-old plies for the resistance coali-tripartite coalition led by the tion's guerrillas.

participate in the responsibility of national government" a clear hint that it was ready to stand aside if the Khmer people so decided. The party even suggests that a future Kampuchea would be "liberal and capitalist" in economic policy and be "registeratory democracy." a "parliamentary democracy. The statement appears to offer fresh avenues for the pursuit of a political settlement of the vexed Kampuchean question, provided—as the Khmer Rouge makes clear—Hanoi is prepared to consider withdrawing its

160,000 to 180,000 troops Hitherto Hanoi has refused to do this, without the "elimina-tion" of the Khmer Rouge's senior figures, Pol Pot and Teng Sary, and an end to arms sup-

Khartoum march dispersed

BY JOHN MURRAY BROWN IN KHARTOUM

RIOT police used tear gas and baton charges to disperse a march by Sudanese bank employees in the capital Khartoum yesterday. There were a number of injuries and some arrests. The bank union im-mediately called out its members on a one-day strike.

The marchers, estimated at over 2,000 were demanding the sacking of Mr Fakki Mekki, the governor of the Sudanese Cen-tral Bank. They also called for

subsidies on basic commodities and a rejection of any IMF reform programme.

norm programme.

An IMF team was recently in Khartoum to discuss moves to resolve the Sudan's debt crisis, At present external debt to the Government and commercial banks stands at \$9bn (\$6.5bn). A more immediate (£6.5bn). A more immediate obstacle is the \$127m owed in arrears payments to the Fund. IMF officials are said to have

John Elliott reports on New Delhi's plans to make the Ganges chemically clean as the River Thames

Technology comes to the aid of India's sacred river

their sacred River Ganges is pure but also one of the most polluted major waterways in the world. Now they want to make it as chemically clean as the River Thames and as commer-

cially useful as the Rhine. The waters are not as dead as the Thames before it was cleaned, but this 2,525 km-long holy river, whose basin accom-modates 25 per cent of India's 730m population, has no fully operational sewage treatment plants.

The holiest city of Varanasi pushes 25m gallons of untreated sewage a day into the river where hundreds of Hindus bathe at dawn, alongside the occasional floating corpse, to

There have been several ineffectual initiatives: many sewage treatment plants are not working either, as often happens in India, because the machinery has broken down, or because the electricity has been cut off after bills have not been paid.

diverted the open sewers to empty into the river down-stream of their own areas, so passing their pollution on to neighbours.

The Netherlands is providing not only the most spiritually technology and equipment for a two-year pilot project to start restoring the river to the importance it had before railways and major roads were developed. It is contributing one-third of the \$650,000 cost of opening up the river from Patna in the east to Allahabad, 600 km upstream, once a new lock in the giant Farakka barrage is completed.

International attention was focused on Mr Gandhi's scheme when both France and the U.S. offered technological help during his foreign tour last month. Water treatment experts from these and other countries. including a team from the Thames Water Authority, and others from the Netherlands and West Germany, are now descending on New Delhi to sell their expertise at making money out of sewage. But anyone who thinks they can joke about the Ganges—or the Ganga as it is called in Hindi-should beware.

"We have brought the water from the holy river at Gangotri, Some towns have merely liverted the open sewers to to have descended from empty into the river down-tream of their own areas, so whether the Seine would be polluted by Ganges water which



and is the source of the growth of the Aryan civilisation. It is a place of honour in the minds of men." said Mr J. A. Kalyanakrishhnan, Permanent Secretary of the Department of the Environment in New Delhi, when asked why the Ganges was to be purified and why India's other major rivers were left with little hope of such

before bothering with the river. In common with most of the rest of India, only 10 of the largest 50 towns and cities on the Ganges with populations of over 50,000 have any form of closed sewers. In only two of those 10 are more than 50 per cent of dwellings linked to the

Research into cleaning the Ganges started in 1978. Seven months before she died last A new five-year cleaning proMr Ghandhi had just Mr Kalyanakrishnan also
gramme, costing an estimated
£170m was announced as a top
priority by Mr Rajiv Gandhi
when he became Prime Minister

The Ganges is the most
well known river in the world

The Ganges is the most
well known river in the world

Mr Kalyanakrishnan also
could not entertain the idea year, Mrs Indira Gandhi comthat it might be more socially
useful to sort out the poor
state of open urban sewers

The research showed that

unlike the pattern in indus-trialised countries, industrial waste and pesticides from agricultural land cause minimal damage compared with sewage. Relatively little damage is also done by the much-publicised dead bodies.

"The dead find salvation in the river for people who can't afford burials or cremations," says Mr Kalyanakrishnan.

"I have heard that people in Varansi float dead animals from one end of the town to the other to mature the hides in the water," says Mr N. Chaudhuri, chairman of Central Pollution Control Board, He estimates that 100 dead bodies only cause the pollution of 3,500 peoples' sewage, so with a population approaching 200m in the Ganges basin, sewage is the first

cent of the total sewage comes from 29 towns and cities with populations over 100,000 on the main river. So these are to be tackled in Mr Gandhi's initiative, with other towns and the river's 21 tributories left till

The plan is to intercept open river with wells, pumping stations and a new line of sewers that will link these points to one or two "resource recycling units" located at either end of a town on the river bank.

India wants to use the waste

breeding and irrigation, manure manufacture and energy in the form of biogas.

The researchers estimate that the units should produce a surplus of 73p (11 rupees) per person per year after running costs of £1.50 and output of by-products worth £2.23.

Foreign experts, including visitors from the U.S. Environmental Protection Agency, doubt whether this can be achieved Indian civil servants and engineers are not yet sure how much help or finance they need, although they acknow-ledge they do need advice on managing the project.

They will look at alternative technologies for sewage digestive systems and the recycling units. The World Bank, which is already involved in various water projects in India, is also

There is no plan to try to clean the Ganges of its existing pollution because, says Mr Chaudhuri, the river bed should clean itself enough within 10 years once the sewage is diverted,

"It is a holy river and has than usual. It cleanses organic matter three times faster than other rivers and nine times faster than those in temperate climes," he says, mixing the expert knowledge of an engineer with the mysticism of a

Lange welcomes stopping of All Black tour | Deng says China's reforms

BY ANTHONY ROBINSON IN JOHANNESBURG

SPORTING South Africa was in mourning yesterday following He said he sympathised with the interdict by New Zealand the disappointment of indithe interdict by New Zealand High Court Judge Mr Justice Casey forbidding the New Zealand All Blacks rugby team

declined comment on the decision until he heard officially in South Africa.
from the New Zealand rugby In Sydney, the chairman of anthorities, who are meeting the world rugby union's ruling today to assess the situation, body said that it would ban anthorities, who are meeting today to assess the situation, but Mr David Lange, the New Zealand Prime Minister, said in

vidual members of the All Blacks and their families. "But, if you ask me who I most feel sorry for it is for four out of from departing for their five South Africans who don't controversial tour of South Africans who don't get a vote . . . for the people who are shoved into the homeland situation . . . for the 320-odd people who have been shot the South African rugby board, there," he said in a reference to the recent spate of rioting

South Africa and the players involved if it tried to organise Wellington that his Government a professional rebel tour. Mr. Two rugby-playing lawyers would oppose any attempts to Roger Vanderfield, of the bad brought legal action against

of an invitation rugby side. But if they go as professional players to get paid for playing then that is another matter."

The All Blacks were due to arrive in Johannesburg on Friday for a 16-match tour including three international matches against the South African Springboks, but yesterday the New Zealand rugby officials cancelled the tour, saying that Saturday's court ruling had made it impossible to continue to make firm arrangements.

International Rugby Board, the rugby authorities, saying said: "There is nothing to stop the tour was against their own rugby players going to South constitution which bound them Africa as individuals or as part to foster the sport. The court ing the team from leaving until The final ruling on the legality

of the tour is expected within the next two weeks but in the meantime controversial plans are afoot to organise a "rebel tour" by All Black team members. The man behind the rebel tour proposals is New Zealand lock Andy Haden, but the scheme would have to be sanctioned first by the South African Rugby Board. Dr Craven indi-

are 'an important test'

BY ROBERT THOMSON IN PEKING

that China's economic reforms are an "experiment," the Chinese leader, Deng Xiaoping, said yesterday that the reforms are "an important test" and "we must pass the test."

Deng has surprised Western observers in recent weeks with statements that China's "open door" policy is an "experi-ment." A widely-accepted interpretation here is that he is responding to concern within the leadership over the pace of introducing the reforms.

At a meeting yesterday with cated Sunday that he would not give approval and stated flatly "there will be no rebel tours."

the visiting Prime Minister of be used. All Trinidad and Tobago, Mr George always sum uses the Chinese draw lessons." the visiting Prime Minister of

IN A VARIATION on the theme leader said that persevering that China's economic reforms with the open policy is a necessity.

"If we do not carry out reform and do not persevere in the open policy, it will be impossible for us to attain our strategic objective of economic development," he said.

"I believe our policy will succeed. Of course, during the reform there will be certain twists and turns and even mistakes of various degrees, but we will correct mistakes as soon as they are found. If one method proves ineffective, another will be used. All in all, we must always sum up experience and



to matching its size and performance. In just one year the 737-300 has become the best-selling jetliner in the world. Even by its first

had placed orders for 155 Boeing 737-300s, with options on 73 others. Today, 16 customers have ordered 170 airplanes.

The airline world knows a good thing when it

into service. It's a perfect fit with the other members of the Boeing family—the 747, the 767 and the 757.

It's also one more way Boeing is helping keep air travel our best transportation value.

BOEING

A self-confessed PRI ballot-rigger tells **David Gardner** how he 'wins' elections

Mexico's alchemists 'ensure victory at polls'

In Sonora, the local party claimed 100 per cent of the offices up for election, while nationally the PRI said it had

won all 300 of the Congressional seas contested on the first-past-

seas contested on the hist-past-the-post system (a further 100 are handed out among the opposition parties on a propor-tional representation system

The result, particularly in Sonora, has been strongly challenged by the PAN alleging fraud. Even the inde-

pendent leftist parties, opponents of the conservative PAN,

said they believe PAN has been

The mechanics of Operation

Nino used in Sonora are, according to Dionisio, virtually

impossible to detect. The president of the polling-booth, invariably a PRI member, and the Opposition's poll-watching

Instead of tanks being filled only to 90 per cent of their

instead of their design capacity of 10-15 bar.

TNO, which employs 5,000 people and is financed by the

Dutch Government and private

industry, says it was the only safety research establishment permitted to investigate the

At is own initiative, it is also

investigating the cause of last winter's explosion at the Union

Carbide plant at Bhopal, India. TNO says its Mexico City

and Shell UK.

introduced in 1977).

cheated.

MEXICO'S ruling Institutional Revolutionary Party (PRI), which has held uninterrupted power here for 56 years, won the July 7 elections in the northwestern border state of Sonora—where it faced prob-Sonora — where it faced probably its most threatening challenge at the polls since 1940 — by allegedly resorting to wholesale electoral fraud. This was asserted to the correspondents in Mexico of the Financial Times and the Times by a man who, on his own confession, has for the past two years been a key member of a 200- to 300-strong mobile team of ballot-riggers employed by the PRI and the Interior Ministry.

The team of ballot-riggers, The team of ballot-riggers, or alchemists as they are popularly known in Mexico, has developed an undetectable method of turning PRI dross into electoral gold. Known as Operation Niño (Operation Child) it has been employed in at least four state elections, including the key July 7 Sonora contest, to cheat the apposition contest, to cheat the opposition right-wing National Action Party (PAN) of victory. This complements the more obvious types of ballot fraud already used and widely witnessed again this time.

The alchemist, who agreed to be pseudonymously named Dionisio, provided details of how his team rigged elections in Baja California Norte, the peninsula below California, in September 1983, in the northern Pacific state of Sinaloa in November 1983, and in the the PRI. A decision apears to north-eastern border state of have been taken to stop the Tamaulipas in December 1983. PAN at all costs, even if this Dionisio knew that Operacion meant going back on President Nino was being mounted again Miguel de la Madrid's pledge for in Sonora because he had been approached by the PRI to take Dionisio agreed to the inter-

view because he was disen-chanted with what he had done. "I am a Priista by conviction but this destroys one's morale. The PRI cannot survive like this indefinitely because it is dangerous and heats up people's blood, opening up the country to ideologies alien to Mexican Prior to this month's elections representatives are required to idiosyncrasies," he said, refer- for seven state governorships, fill in an innocuous form and

of an inquiry by a Dutch-led

team of safety experts into the

Organisation for Applied Scientific research, whose find-



A PRI election rally in Sonora last month

ring not to the challenge from PAN but the dangers of communism taking root. He said he was in no doubt he would be killed if his identity were discovered.

Operacion Niño was first used in September 1983. This was after apparently clean state of the section of the whole of Congress and more than 800 town halls, both President dent de la Madrid and Sr Manuel Bartlett, the Interior Minister, promised to honour opposition victories. After the poll, however, senior PRI officials claimed a victory of Albanian proportions.

in September 1983. This was after apparently clean state elections in the northern states of Chihuahua and Durango in July 1983 saw the PAN win decisive victories in most major town halls and both state capitals.
The PAN looked set to win

a state governorship, something never previously conceded by a more open democracy and to campaign against corruption, In interviews in March, June in interviews in March, June and August last year, two senior PRI officials privately admitted to the Financial Times that the party had won through fraud against the PAN in 1983 in Mexicali, in Baja California Norte and in Puebla, a conservative anclaye south of Mexical

vative enclave south of Mexico

Design blamed for Pemex blasts

accident at Mexico City's main partly to the fact that there was maximu meanacity, they were gas distribution centre, in which a densely populated district filled to 100 per cent. As a more than 500 people were only 130 metres from the result, the pressure in some killed and up to 7,000 injured.

The TNO team believes the

long-range transmission of gas through a 230-km pipeline, for

FAULTY design appears to cylinders of various sizes. The have caused last November's number of casualties was due

This is one of the conclusions a minimum safety distance of an inquiry by a Dutch-led about 300 metres.

series of explosions on Novem- blast may have been caused by

ber 20 which caused the highest a design fault and an operating death toll in any petro-chemical fault.

Isaster. The design fault appears to The inquiry was carried out have been the use of a very y TNO, the Netherlands powerful pump, intended for

ings are being studied by local distribution at the gas Pemex, the Mexican state storage centre. This seriously

urns, and electoral register all in place, voting began.
In the course of the morning. Dionisio alleges, an alchemist turns up at the booth, with either falsified or real credentials accrediting him to the state Electoral Commission, the body which counts the votes and is again dominated by the PRI by virtue of its control over all 31 state Governorships. The alchemist requests this form, which carries no record of voting, saying it will be passed on to the Electoral Com-

mission as part of the monitor-ing process of clean elections. The form is then taken to the only thumbprinting on the alchemists' central laboratory returns could short circuit this. where the professional forgers and handwriting experts set to work. Their raw materials are ballot slips, copies of the electoral register for the districts being fixed and the form with the signatories of both representatives.

When voting closes, the urns

are publicly opened and counted to the satisfaction of all parties. A results form (acta de escrutinio) is filled in and signed by each of them. The results form and the votes are then wrapped and sealed into an electoral package which, in theory, goes to the Electoral Commission. The party representatives are each given copies of the results form, but only the master has legal validity.

In the laboratory, meanwhile, ballots are filled in to produce the required majorities, a new results form is filled with the carefully-forged signatures of the hooth waresentatives and the booth representatives, and another packet, indistinguish-

bled. The forging of the signa-rutes is one of the two essential pects of the fraud. Concealing this fake package Concealing this fake package mention in his car, the man who called at the booth in the morning place. This collects the real one. Because of Mexico's long history of fraud, party representatives now routinely demand to accompany the purported Electoral Commission representative, to Mexico."

general elections in Bolivia.

President Victor Paz Estenssoro

fourth place with less than 5 cent a year.

Movement.

Conservatives forecast to

triumph in Bolivian poll

FORMER General Huga Banzer per cent of the votes. and his conservative Nationalist

Democratic Action (UDN) party
took an early lead as vote
counting started after Sunday's
meet on August 2 to

general elections in Bolivia. between the three candidates

According to unofficial tallies with the most votes. The new

by Radio Fides Sr Banzer, president is scheduled to take who ruled the country from office on August 6. 1971 to 1978, had won 41 per President Siles, a veteran

1971 to 1978, had won 41 per President Siles, a veteran cent of the votes, twice as many leader of the moderate left, as his nearest rival, former agreed last year to step down

of the Revolutionary Nationalist pressure from his opponents.

WORLD TRADE NEWS

able Dionisio assures us from his own experience, is assem-

sign it, saying that at such and se him hand it in. The alchemist such a time, with ballot-slips, urns, and electoral register all in separate cars so there is no an separate cars so there is no danger of interference by any party on the way. (Any reti-cence is overcome, Dionisio says, by wielding the authority of the commission and the penalties for interfering with the electoral process.)

The alchemist switches the packages en route; the second key ingredient of the fraud. The party representatives then approve the formal handover to the Electoral Commission, "validating" the rigged package. Our informant claims the rigged results withstand any technical examination, and Dionisio alleges unhesitat-ingly that the PRI and the

ingly that the PRI and the Interior Ministry collude in this fraud which helped produce results like the following. One hour before polling closed on July 7, the Electoral Commission announced the results of the rural areas surrounding Ciudad Obregon, a PAN stronghold where Sr Adalberto Rosas, a popular mayor from 1979-82, was the PAN candidate for Sonora Governor. In Sr Rosas' home town of Pueblo Yaqui, home town of Pueblo Yaqui, where be claims 150 relatives on his mother's side alone, two booths showed a 500-0 and 320-0 verdict in favour of the PRI.

Sr Maximiliano Silverio Esparza, the PRI national executive's delegate in Sonora, was asked by the Financial Times whether he would state categorically that there had not been a single instance of fraud that his party knew of during the election there.

He replied: "I can cate-gorically affirm that there was gorically amrift there was no instance of that ugly word you mentioned, which I think it would be inappropriate to mention again. No such malevolent occurence took place. This was a democratic factor a clean process which fiesta, a clean process which will stand up to any test, under any circumstances. In Sonora the people won, and with them triumphed

If no candidate receives more than half the vote, the new congress, elected yesterday, will meet on August 2 to choose

IFC investments rise by 55% \$29m provision against pos-sible losses on investments. The provision is slightly

of a major expansion pro-gramme the International Finance Corporation, a World Bank affiliate, yesterday reported that its new investments increased by 55 per cent to a record \$610m (£442m) in the year ending June 30 writes Stewart Fleming, Its net income rose 8 per cent to \$28.3m.

The increase in the multilateral development agency's net income was calculated after making an addition to its

lower than the one made in the previous year, Sir William Ryrie, execu-Sir William Ryne, execu-tive vice president of the IFC, said that last year the corpor-ation was "able to get back on to a high growth track after several relatively flat years."

Sir William cited several innovations in the IFC's operations over the past year. It has added variable interest rate loans to its package of investment services, it has used its power to guarantee investments, it has raised capital directly from the private markets rather than relying on its parent for funds, and it has put forward proposals for an African project development facility to hall the private sector in help the private sector in Africa appraise and finance projects.

Sir William defended the IFC's lending programme in Africa where it has suffered heavier losses than in other regions of the world.

Ryrie brings new broom to development agency

IT TAKES a few moments to adjust to the idea of a small multilateral development agency helping to plant the seeds of capitalism in the minds of Chinese communists. But that is precisely what the International Finance Corporation, a World Ban kaffiliate, is doing with its first investment in

As part of a deal under which the IFC will joint with Auto-mobiles Peugeot of France and the Chinese bus assembler Guangzhou Automobile Manufactory (GAM) to establish a \$80m (£58m) pick-up truck production facility, the Chinese Government agreed to sell 10 per cent of the shares in the plant to the public, giving workers preference in applying for the stock.

The Chinese initiative is undoubtedly a feather in the cap for Sir William Ryrie, the new executive vice-president of the IFC, who moved to the IFC from his post as permanent secretary of Britain's Overseas Development Administration in

October of last year.
Not only does it undermine the IFC's potential to promote development through the private sectors, the role for which the IFC was created in 1956, it also emphasises an aspect of the IFC's work on which Sir William himself places great store—its capacity for stimulating the growth of financial institutions and capital markets as part of the develop-

ment process.

The IFC has been active over the past year in helping to establish a life assurance comestablish a life assurance com-pany in Indonesia. It previously played a leading role in the creation of the South Korean stock market and an investment fund to facilitate the flow of private capital from investors in developed countries to Korean

long overdue changes," says a top World Bank official.
The legacy which Sir William has inherited at the IFC is a mixed one. His predecessor will be remembered as a man who successfully devoted much of his energy to securing last year's decision to double the IFC's capital to \$1.3bn.
The U.S. Congress has yet to

approve the funding of the U.S.



Ryrie: making changes

share of the capital increase. However, assuming, as most do, that the capital increase does go into effect, the IFC's five-year plan calls for it to invest some \$4.5bn of its own money in about 480 projects with a total value, including the participation of its partners, of around \$25bn. The IFC usually takes only a 15-20 per cent stake in a new investment.

Achieving this sort of goal is clearly going to be a challenging task. Much of the developing world is struggling to escape from a financial strait-jacket which has thrown economies into turmoil. Many Govern-ment's of developing countries have still to accept the idea implicit in the IFC's capital increase, namely that foreign private direct investment must again play a bigger role in their economic development. Some for the foreseeable future the projects to be fipanced will built into its share or wonder whether a Washington Sir William recognises both the challenge that he faces and the need to deal with some of the criticisms which have been He is lookdevelopment experts argue that for the foreseeable future the

developed countries to Moreau wonder whether, howwinstanting his experience as an executing his experience as an executive director of the International Monetary Fund in the up at the IFC. "He has brought a fir mhand and is making some William, who has spent his life in government service, has the right background for the job. What is no longer in doubt, Sir William, in bringing the however, is that Sir William is IFC more into the spotlight, tackling the challenges head on, can expect to have its, and his, particularly the job of reorganising the IFC to try to achieve monitored, not least because of its goals. Within a few months of taking office, the new broom governments of the industrial started sweeping away at the countries to see private capital

pbwebs. play a bigger role in Management was restructured development process.

at the top away from its regional focus to create, in Sir William's words, "a small senior management team each of whom has a corporate wide view." Some senior officials, retired in the process, creating a mood of uncertainty among Sir William also took the

initiative of forcing the IFC to take a closer look at the results of its own operations. A worry-ing deterioration in the loan portfolio, rising delinquencies on loans and write-offs on investments, have been tackled partly through a decision to improve the loan work-out func

A special investigation was conducted to try to establish the source of the problems. The conclusion was that unfavourable economic conditions, rather than poor IFC staff work. was largely to blame. But doubts were expressed about the way some of the IFC-backed projects were financed. structuring some deals, more attention could have been paid to the risks of adverse changes in overall economic conditions, particularly the danger associated with exchange rate fluctua

The IFC, however, is meant to be a risk-taking development institution. It is not expected to finance projects for which private finance is readily available. Government guarantees are expressly forbidden. So although the IFC is expected to make a profit, and has done, it ends up taking stakes or financing the more risky investments

the criticisms which have been levelled at the IFC. He is looking at ways to speed up the IFC's decision making processes while at the same time trying to make prospective investors in the developed world more aware of the IFC and its role. Sir William, in bringing the

Movement. In third place was the leading candidate of the left, former union confederation, accused Vice-President Jaime Paz him of sacrificing workers' interests to those of the countries. owned petroleum company weakened some of the high which owns the liquid pressure vessels. petroleum gas (LPG) installa- At the same time, the operareport has attracted world-wide interest among governments and the petro-chemical industry. In Britain, copies have been ordered by the British Gas Corporation, British Petroleum The party of President try's foreign creditors, while the Hernán Siles Zuazo, the Revolutionary Nationalist Movement to control inflation now running of the Left (MNRI) was in at a rate of more than 5,000 per At the same time, the opera-tors appear to have allowed the tions at Mexico City. The disaster involved about pressure vessels to be over-12,000 cubic meters of LPG filled, thus eliminating their stored in six spheres and 48 safety margin.

UK GROUPS SHARE IN RAPID TRANSPORT CONTRACT

Australians win HK\$1 bn rail order

of a major new rapid transit system in Hong Kong's North-West New Territories.

Railway Corporation, is one of tection. The second—to build a will p HK\$3bn road and rail tunnel tions. linking Hong Kong Island with Lei Kwun Tong, west of Kowloonhas still to be short-listed. understood to have snatched the contract as a result of significant last-minute improvements in the offer Two months are ant last-minute improvements in its offer. Two months ago, housing consortia led by Ateliers de Constructions Electriques of Belgium and a UK-Hong Kong Consortium including GEC Transportation Projects, Metro-

A CONSORTIUM headed by the Cammell and Gammon Hong Hong Kong's Light Rapid largest in the world. Australian group Leighton Construction (Asia) has been final discussions on the contract. double track rail system linking awarded a HK\$1bn (£97m) The Leighton consortium Tuen Mun and Yuen Long, two week of August. The contract to build the first phase includes three major British of a major new rapid transit companies working as subconsystem in Hong Kong's North-tractors. Balfour Beatty Power West New Territories.

The contract, awarded by Hong Kong's Kowloon Canton Some track work and track pro-

two major construction con-tracts that have been fiercely contested in recent months.

Hawker Siddeley will provide power supply and power equip-ment, while Cable and Wireless Hawker Siddeley will provide will provide system communica-

Leighton has recently been wun Tong, west of Kowloon— prominent in winning a number of major contracts in Hong The Australian consortium is Kong and Australia. It is curhousing project. In Australia, it recently won an Assoom (£187m) contract to redevelop Darling Harbour in New South recently

Tuen Mun and Yuen Long, two new cities in Hong Kong's North-West New Teritories. The Kowloon Canton Railway Corporation (KCRC), which will run the system, has an option to extend the system by further 10km. This second stage is estimated to cost just under HK\$1bn.

According to Mr Peter Quick, KCRC's managing director, Leighton snatched the contract at the last minute by offering to provide operational help and advice as part of the package. The Metropolitan Transit Authority of Victoria (MTA), which was originally to play a minor part in the consortium,

will now play a major part in training KCRC staff to operate the system and establish work-ing routines. recently won an A\$300m training KCRC staff to operate that commercial loans for the the system and establish working Harbour in New South Wales.

MTA operates the Melbourne at fixed interest rates yet to be finalised.

Work on the project is expected to begin in the second week of August. The system is

intended to be in operation by the middle of 1988. Officials predict it will carry 300,000 pas gers a day within a year. It will at the outset create 800 new

The project will be totally debt financed. Export credits from the Australian Government, through the Export Finance and Investment Corporation, have been agreed, and will account for about 40 per cent of the cost of the project. Britain's Export Credit Guarantee Department (ECGD) is also expected to provide

is also expected to provide credits for work being done by British contractors. The KCRC has been assured

NTT chief hits at quality of U.S. goods

THE STRENGTH of the dollar and inconsistent quality of U.S. products were vesterday blamed by Dr Hisashi Shinto, chairman of Nippon Telegraph and Telephone (NTT), for the relative lack of foreign sourcing for the company's goods.

Addressing a group of foreign journalists in Tokyo yesterday. Dr Shinto first blamed the dollar's strength for NTT's relatively low level of foreign In the year ended last March, NTT sourced only a small percentage of its \$2.5bn (£1.9bn) worth of equipment purchases from overseas, with

In April of this year, NTT moved out of the government control and into the private sector. Although the Government still holds all the shares, NTT has longed stressed that it intends to act as a private com-

most of that coming from the

Dr Shinto said yesterday. however, that U.S. telecommuni-cations companies "do not use the same quality control as in Japan. I do pay great respect to U.S. hi-tech products, but we have been seeing defects at random, unimportant levels."

This, he said, pointed to "sloppy work" and poor quality control. Nonetheless, such problems were "easily correctable."

Dr Shinto added that in at least one case. NTT had worked least one case, NTT had worked with a foreign supplier to iron out its quality problems. He stressed that the problems were found in low-grade areas.

He said his comments applied mainly to American products because NTT had bought few of such goods from Europe.

China puts 80% tax on car and mini-computer imports

BY ROBERT THOMSON IN PEKING CUSTOMS OFFICIALS have

CUSTOMS OFFICIALS have The ambiguous wording of a computers, and photocopy confirmed that China's new "im-State Council released on Sun-machines, the regulatory tax port regulatory tax," effective from July 16, will be applied throughout China, and include an 80 per cent tax on imported cars, photocopy machines and mini-computers.

As well as going some way to achieving the Chinese Govern-ment's stated aim of regulating imports "by economic means, the new tax, based on the import cost of the distributor will increase the already high costs for foreign companies managing representative offices.

For instance, the new import tax will increase the total duty on imported cars to 200 per

day had caused doubt over will be 80 per cent. On video whether the new tax would be universally applied or would apply only in the Special Economy on trucks, it will be 50 per cent. omic Zones and Hainan Island. A customs department official said the tax will hit import purchases throughout China, and overspending on imports has include the zones and Hainan, hit China's foreign exchange

which have charged lower import duties in the past in an The customs department provided a list of "import regulatory tax" charges, which will be added to existing duties and be imposed on goods ranging for this year, they had failen to \$11.62bn.

The new tax is designed, the State Council says, to stem the flow of imports. Another side attempt to attract foreign investimposed on goods ranging from cars and motor cycles to video-

On trucks, it will be 50 per cent, and on processed polyester

yarn and synthetic fabrics it will be 40 per cent. reserves since October last year, when they stood at \$16.3bn (£12.5bn). By the end of March

flow of imports. Another side-effect will be to increase the Chinese Government's share of foreign exchange on future im-On cars, mini-buses, mini- ports on the affected goods.

Call to liberalise Peking deals

recorders and synthetic fabrics,

THE British Government yester- exporters."

day was urged to press its Western allies for a substantial liberalisation of strategic tech-nology trade with China. Particular emphasis was placed on the need to lift the Particular emphasis was petitors, especially those in embargo, imposed by members of the Paris-based Co-ordinating tance from the marketplace.

and this was a "cause of great The report noted that Britain UK exporters; concern, not only to the Chinese, last year had just 3 per cent of but to the UK defence industry, the total export market to China under the umbrella of the Overwhich is one of our principal of all member-nations of the

The report generally found that Britain was experiencing a far weaker market share of China trade than its major com-

of the Paris-based Co-ordinating Committee (CoCom) for strategic exports, on the sales of selected items of defence and high technology equipment. This was one of the main recommendations in a report by a House of Commons select committee on trade with China released yesterday.

Despite liberalisation of strategic trade with China numerous embargoes remained and this was a "cause of great" trace with china they are about to score a goal in the new position. when they are about to score a loans to China goal in the new position."

The report noted that Britain UK exporters:

Organisation for Economic Co-operation and Development (OECD). This was valued at \$432m ahead of Italy and France at \$380m and \$312m respectively, but far behind West Germany

at \$1.03bn. Japan was China's principal supplier at \$6.6bn with the U.S. in second at \$2.8bn. The select committee also recommended:

An increase in UK embassy staff in Shanghai, where staff is so thin that replacement pass-ports cannot be issued; The Government provide a structure for provision of soft loans to China where necessary to secure competitiveness of

Foreign cars gain in Italy By James Buxton in Rome

FOREIGN CAR manufacturers gained an extra 4 per cent of the rising Italian car market in the rising Italian car market in the first six months of this year.

In a market which rose 5.6 per cent to 599.637 vehicles delivered to customers, some 39.7 per cent was won by imports, against 35.7 per cent in the same period of 1984.

Fiat's share fell back from 46.7 per cent to 43.2 per cent, and that of Alfa Romeo from 7.6 per cent to 6.5 per cent Renault's share went up from 9 per cent to 10.5 per cent, and that of Volkswagen from 4 per cent to 6.8 per cent.

Pledge on trade in services

BY BERNARD SIMON IN TORONTO

THE West's major industrial countries have affirmed their determination to include trade in services in the next round of multilateral trade negotiations.

Following a three-day meeting of trade ministers from the U.S.,

The four parties, whose countries account for almost two-thirds of world trade, agreed to formulate an umbrella set of principles for trade in services. Mr Yeutter said the next step will be to concentrate on specific sectors such as banking and data transmission.

Several less-developed coun-tries, led by Brazil and India, strongly oppose the inclusion of services in the next round of trade talks, fearing that concessions will open their markets to foreign domination especially by U.S. companies.
The Sault Ste. Marie meeting agreed to press ahead with plans for a new round of trade

talks next year. Senior trade
officials are due to meet again
in September to discuss
preparatory work.
The ministers also agreed on the need to extend the Multi-Fibre Arrangement, due to expire in July 1986.





There's no doubt that oil exploration and production take financial muscle.

1

With funds generated of over £1 billion last year Britoil has plenty of that.

But, when it comes to manpower, it's brains rather than brawn that have proved the secret of success.

It's geologists, engineers, technicians, geophysicists and all the other professionals, whose expertise, efficiency and enthusiasm make Britoil one of the world's leading exploration and production companies.

Last year they produced a total of some 168,000 barrels of oil a day and were

involved in drilling

more wells offshore UK than anyone else. Briton

But before you can produce oil you have to find it.

That's what Britoil is all about.

Its prospects are excellent. It has more exploration acreage offshore UK than anyone else and almost as much again in the Far East.

It has interests in Norway, Denmark, Holland, Ireland and a one third share of the Margham field in Dubai. And interests across 18 states in the USA.

But, just as important, are the people.

| Please ser Offer For | d me more information about Britoil and reserve my copy of the Sale document, without obligation. |
|-------------------------|---|
| Name | |
| Address | |
| | |
| | Postcode |
| | Send to: Britail plc, P.O. Box 5000, Bristol, BS99 1GB. |

Pinpointing opportunities worldwide.

BUILDING SOCIETY RATES

10.80 90 days' notice

8.25 8.25

9.80

8.25

8.75

9.55

Other
9.52 Seven-day account
10.75 Higher Interest account 90 days' notice or charge
7.00/9 \$2/10.00/10.50 Cheque-Save
11.00 High rate bondshare
— Easy withdrawal, no penalty
10.00 BankSave, Balanca of £2.50. Current account, Balanca under £2.600, 9.00, Linimum initial investment £500
10.00 Gold account, Winimum investment £500. Imm. wdl.
11.00 Promier 1-yearly/mith; min. £1.000. Imm. wdl. (pen.)

10.00 Instant gold. Admid int. No notice or Fanalty and 10.75 3-year bd. 50 days' not./pcn. Differential 2.5 guaranteed 11.00 Capital pies 10,000 r. Annual int. 60 days' not./pcn.

10.00 2-year term share—C1.000+--3 months' notice 10.10 Special invest. (28 days' notice) 10.10 monthly inc. a/c

10.00 No notice, no penalty. £1,900+ 11,00 3 months' notice without penalty. £5,000+

9.50 Plus account £1,000+. No notice. No penalty 10.30 £20,000+, 10.10 £5,000+, 9.90 £1,000+ 7-day notice Triple Bonus. Also mentify income 11.00 Spacial 3-menth account, £5,000+, 3 months' no

10.80 90 days' notice 10.80 90 days' notice or penalty if balance under £10.000 10.05 Extra share, £5.001+ 10.30, 20 days' notice 9.30 Guaranteed rate 2/3 years (or variable account)

11.10 Immediats withdrawal interest pen. or 3 months' notice 10.75 Gold. No notice. No penetres. £20,000+, 10.75. £500-£19,999, 10.25. Under £500, 8.25

2500-C19,999, 10.25. Under £300. 8.25

10.00 7 days, 10.00 1 month, 10.25 2 months, 10.85 3 months
10.25 3 months notice—no penalty—monthly income
9.56 7 days' notice immed, access for amounts over £5,000

11.10 3-year bond £1,000+, close 90 days' notice and penalty,
monthly income option, guaranteed 2.85 differential
10.75 Monograker £20,000+, 10.50 £5,000+, 10.25 £1,000+,
Instant occoss no penalty, monthly income
11.00 2 years, 3 months' notice. 10.75 monthly income
10.80 90-day account, instant access for balances over £10,000

10.03 Gold star £1,000+. No netice. No penalties. Monthly interest £5,000+, 10.50 if added to account

10.03 Gold star E1,000+. No netice. we penalties. Monthly interest E5,000+, 10.50 if added to account 10.80 60-day account (no notice account 9.50-10.00) 10.85 6 months' not. E1.000 min. Access to balance £70,000+9.75 instant XIra. Immediate withdrawal no penalty 10.75 90-day Xtra, 90 days' notice no penalty (£500 minimum) 10.50 Premum Xtra (£10,000 min.) guaranteed 2.00 diff. 3 yrs. 11.00 Plogh interest. 10.75 1-year bond 11.00 90 days. 10.25 60 days. 10.00 28 days 10.10 7-day account. Manimum £500 monthly income £5,000 9.90 7-day a/c, 10.85 Magnum a/c 6 weeks+loss of interest 10.50 Super share, no notice, 14 days' pen. £2,000 minimum 11.10 Super share, no notice, 14 days' pen. £2,000 minimum 10.50 High flyer, no notice, 14 days' pen. £2,000 minimum 10.50 High flyer, no notice, no penalty, £5,000 minimum 10.75 High flyer, no notice, no penalty, £30,000 minimum 10.75 Limited edition £5,000 3 menths' notice or 90-day pen.

10.75 Limited edition £5,000 3 months' notice or 90-day pen. 10.25 HRAS 3 mths.' not., 10.00 Lig. Gold no pen./no notice

9.60 £500+ immediate withdrwl. no penalty, 10.75 £10,000+ thirming 1 year, 10.25 £2,000+ minimum 1 year

10.25 60 restige £10.000+ 2.75 gtd. 3 yrs. 3 mths.' notice/pen. 10.75 P. £500-£9,999 2.5 gtd. 3 y. 3 m. not./pn. M. inc. £1.000

10.75 P. 1300-23,355 25 gid. 37 3 m. 10-15 120 Hill. Mill. 11.000 9.80 12X, 10.00 12X+, 10.10 110X+, 10.25 120X+
10.55 90 daya' notice, no penalty. † £1,000+
10.75 APEX 3rd iss. (†2.50 gid. 3 yrs.) 60 days' notice/pen.
10.75 Special share 60 days' notice/ponalty unless £10,000+
10.25 Morey man. £10,000+. No notice, no penalty

10.25 ligray man. 5,0,000+. No notice, to penalty 10.75 Capital bonds, 3 years, 90 days' notice/penalty 10.75 Bonus-80 C20.000+. 90 days' notice/penalty 10.50 Bonus-90 £10.000-£19,999, 90 days' notice/penalty 9.75 Double bonus, minimum £500, no notice/penalty

10.75 Moneyspinner plus £20,000 or more, instant access 10.25 Moneyspinner plus £10,000 or more, instant access 10.00 Moneyspinner plus £5,000 or more, instant access 9.75 Moneyspinner plus £500 or more, instant access

9.00 7-day share/monthly income option 10.00 on £10,000+9.90/10.40 immediate withdi. if over £2.000. Monthly income 10.85 pa "85" shares—85 days' notice—monthly income 10.25 Flexi-plus, Minimum £500. No notice, immediate withdi. 10.65 Promism. Minimum £500. 2 months' notice. No pen. 11.20 5-year, 11.00 3 year, 10.85 90-day, 10.25 30-day 10.55 3 months, 10.25 6 months, 10.10 28 days, 10.00 im. ac.

11.00 2-year term. Notice accounts with monthly income option 10.50 90-day, 10.25 28-day

10.20 3-year term. Other accounts available
11.00 2-year term £10.000+, 10.75 £500-£9,999 withdri. svail.
10.75/7.00 Nionsywise chequa/Visa. Int. varies with balance
10.75 Super 60 1-year interest £500, wdl. svailable, mth./inc.

No notice—no penatties—minimum £1
9.75 Prime—no notice, no penatty, minimum £500
9.75 Monthly income shares, 28 days' notice
15.75 Capital, 90 days' notice/penatty

10.45 Over 55's no penalties M.I. minimum £250—10.15 10.80 Sovereign £10,000+ Instant access—no penalty 10.30 Sovereign £500-£9,999

9.50 7-day, 9.90 Sussex High, 10.75 90-day 10.20 3-year term. Other accounts available

UK NEWS

Arthur Smith reports on a change of mood in the West Midlands

Industrial heartland warns on recovery

INDUSTRIALISTS in the West rather than increase jobs. Unemthe Government the economic upturn appears to have neaked, may rise.

be faltering, and action is needed. Nigel Lawson, Chancellor of the Exchequer, in rejecting the plea from the Confederation of British Industry (CBI) for a cut in interest rates of grants now that the region has and an easing of the value of ster-

receiving the orders. We can see what is happening now," insists Mr Colin Perry, the chairman of the CBI West Midlands council.

"Industrialists are concerned that growth may be coming off the top. We don't want the Chancellor to wait until we are into another downturn. His optimism is based on historical statistics, rather than what is happening in the market-

The Midlands, traditionally regarded as the barometer of economic activity with its concentration of 14,000 manufacturing companies, has recovered only slowly from a recession which swept away 300,000 jobs and whole chunks of its metalworking, engineering and automo-tive industries.

Improvement has been gradual over the past 18 months. "It's been gradual and bloody hard going," says Mr Jim Cran, the CBI regional

Until a month ago, he was reporting with optimism a continued strengthening of orders in the home market. There was a steady, albeit marginal, increase in output and a measure of success in fiercely competitive export markets.

The recovery was from a low base, very patchy, with wide varia- against its main competitor, West tions between companies and sec-tors. But the confidence was real. That mood has changed in recent weeks.
"I don't think it was ever empho-

ria," says one top director. "But ing."
there was a tendency 12 months
Mr McWilliam, like many other

Discussion at the last meeting of the CBI regional council indicated the West Midlands have put their that the upturn might already have houses in order and become leaner peaked. It might be merely a pla- and fitter. If the Government thinks mented: "The boom is over and we anorexia." are now quietly sliding down The changed business climate,

Midlands, Britain's manufacturing ployment, in a region with a level of heartland, have a clear message for jobless rivalling the worse of the development areas, will continue to

The change of business confi-There is widespread derision of dence is noted by Mr Eric Swainthe arguments put forward by Mr son, managing director of IMI, the

"There is a feeling of uncertainty, We are the people placing and some qualms, some mease. The ceiving the orders. We can see year started quite well but, looking to the next six months, there must be more doubts than there were just 12 months ago," he says.

He attributes the change to a combination of rising inflation and high interest and exchange rates. He points to complaints that the Chancellor raised interest rates to protect the pound but now argues that pressure on profit margins will encourage companies to moderate wage awards.

There is a feeling among industrialists that they are at the end of the line again and expected to do

That is a viewpoint expressed by Mr Alistair McWilliam, managing director of the Armstrong Engineering group of companies, engaged in everything from metalworking, pressings and fabrica-tions, through to sophisticated cooling equipment,

The Government panicked by putting up interest rates and now we have got the worst of all worlds." His company had rationalised, cut the labour force by 40 per cent to just under 1,200 and raised productivity. But it was now constrained from the expansion it sought by high exchange rates, particularly

"We lose both ways from a strong pound. On the domestic front the competition can undercut us; on exports our margins are cut to noth-

ago for everybody to breathe a hig industrialists, thought the high sigh and say, thank God we have interest rates were a short-term

The majority of companies in tean. But one large company com- it can get more, it will only induce

linked as it is with interest rates, Mr Perry says orders for the next must have an impact upon investfew months are distinctly thinner.. ment in a region where already More companies expect to reduce much of the spending is to raise

productivity and cut labour rather than introduce new capacity. "Just as we believed we had come

successfully through the recession and were beginning to invest in product and process development, we are going to be forced to have a long bard look," says Mr Norman Birch, managing director of the UK subsidiary of National Standard of

His company, with a turnover of about £25m and 450 workers, sup-plies various types of wires used throughout industry, but 60 per cent of output is exported. "We are an international company operating in international markets."

The strength of sterling against other European currencies, espe-cially the Belgian franc - Belgium is the main competitor for National Standard - was a serious constraint, "I have moved from a bullish view of our prospects at the turn of the year to a bearish view."

He has written to Mr Lawson about the Chancellor's comment that companies should restrain wages rather than seek cuts in in-

opportunities are available but investment is not taking place because of the cost of borrowing.

He had had to fight hard to stay profitable on an annual turnover of £3.7m with 130 workers.

"I have invested in all the things Mrs Thatcher would want me to do. I have invested in new machinery, new technology, new products and new people. Now her Chancellor tells me all I have to do is hold down wages to get big profits. Mr Carter argues that Mr Law-

son has no conception of the investment and working capital needed by manufacturing industry. "It costs a lot of money to bring a

new product through from design prototype and production before you start to get a return."

His customers had shortened lead times to reduce working capital: "Do I carry stock or run the risk of being caught out and losing the business? These are decisions we have to take every day."

The burden of high interest charges inevitably weighs heavily upon these survivors badly mauled by recession - their successful re-

Sir Arthur Bryan: Urges

4% interest rate cut covery is vital to employment prospects. One such is Benjamin Priest, a traditional engineering and metalworking company.

Mr Chris Walliker, the chairman, was brought in after the company went to the brink of receivership 18 months ago. Along with fellow directors he put in some of his own money under a capital reconstrucappreciation of sterling against European currencies would have the same impact on our same impact our same impact on our same impact our

mr Alan Carter, chairman of Himerest charges cost about £30,000 a year, or £600 a week. This is money that would improve the would be would in the would improve the would be would be well and would money that would improve our tive of the engineering employers' cashflow and profitability and enable us to look positively at new investment," Mr Walliker says.

The continued squeeze on exports is highlighted in the latest business confidence survey by the West Midlands Chambers of Commerce, which tends to represent smaller companies. Performance on both overseas orders and deliveries dete-

Mr Roy Fellows, chairman of the group, maintains that the strong recovery in the value of the pound is growth He points out that 73 per cent of the companies surveyed highlighted lower interest rates as the single most important factor in

high for far too long," says Sir Ar- help of government. But on interest thur Bryan, chairman of Wedg rates and the value of sterling we wood, the pottery company with 60 are at the mercy of outside forces. per cent of its sales overseas.

interest above those of our major terms." competitors in Japan and West Ger- Mr Perry insists that action is ur-

ahead of yesterday's % a percentage point cut in interest rates, for a two point fall. I am for 4 per cent, be declared. Wage increases out of higher profits were correct provided they were backed by higher productivity.
"I support such increases for peo-

ple who have worked hard to become competitive and create prof-its. It is their expectation and their right and they should be rewarded." However, the idea that increased profits might provide the cushion to iffset inflated wage deals is treated with derision in a region which, from being the pacesetter on pay, has become a model of restraint in

recent years. Recent settlements have been running at around the 6 per cent level but, Mr Cran insisted, they are usually backed by productivity advances: "Pay is not a problem in

this region." Indeed, some trade union leaders will confide in private: "Manage ment can do virtually what they like and they know it."

There is adequate evidence of new work practices and companies jutting unit costs to price themselves back into markets previously lost. But senior managers tend to pour scorn on the Government's arguments that workers can price

themselves back into jobs. Dr Cedric Thomas, chief executhe cut in wages would have to be speaks with some experience, having seen membership of his organisation shrink from 1,200 companies to 1,000 in the wake of closures and

mergers.
"Cheap labour is a thing of the past. Companies require flexible and skilled workers upon which to build a future," he argues.

There is undoubtedly a mood of frustration with the Government an important factor inhibiting among industrialists. But Mrs growth He points out that 73 per Thatcher's "hands off" approach to industry meets with favour.

Typical of the comments is that by the chairman of one of the Midimproving prospects. lands big companies. "We know "Interest rates have been far too how to run our business without the lands big companies. We know All we want is to be allowed to com-"As long as we have real levels of pete internationally on equal

many, we shall continue to have gently needed: "It's no use the problems." He maintains that the CBI has he has the statistics in his hands been "going too gently" in its call, that prove we are right."

Bank of Scotland Base Rate

Bank of Scotland an nounces that, with effect from 16th July 1985 its Base Rate will be decreased from 12.50% per annum to 12.00% per annum.





Coutts & Co. announce that their Base Rate is reduced from 12.50% to 12.00% per annum with effect from the 16th July, 1985 until further notice.

All facilities (including regulated consumer credit agreements) with a rate linked to Courts Base Rate will be varied accordingly The Deposit Rates on monies subject to seven days' notice of withdrawal

are as follows:-8.75% per annum Gross* 6.625% per annum Net (the Gross Equivalent of which is 9.46% per annum to a basic rate tax payer).

Rates are subject to variation and interest is paid half-yearly in June and December.

*Not ordinarily available to individuals who are U.K. residents 440 Strand, London, WC2R 0QS

Base Rate

Williams & Glyn's Bank announces that with effect from 16th July 1985 its Base Rate for advances is reduced from 121/2% to 12% per annum.



Williams & Glyn's Bank plc

A member of The Royal Bank of Scotland Group plc

Base Rate

With effect from the close of business on 15th July, 1985 and until further notice TSB Base Rate will be 12% p.a.

Trustee Savings Banks Central Board, PO Box 33, 25 Milk Street, London EC2V 8LU.

Barclays Bank Base Rate.

Barclays Bank PLC and Barclays Bank Trust Company Limited announce that with effect from 15th July 1985 their Base Rate was decreased from 12½% to 12%.



Reg. Orfice: 54 Lombard St., EC3P 5AH, Reg. No's 1026167 and 920890.

Standard Chartered

announces that on and after 15th July, 1985 its Base Rate for landing is being decreased from 12.50% to 12.00% p.a. until further notice.

The Deposit rates on moneys subject to seven days' notice of withdrawal are as follows:

9.00% per annum for funds not liable to CRT 6.73% per annum for funds liable to CRT (equivalent to 9.61% per annum to a standard rate

The Interest Rates payable on High Interest deposit accounts subject to twenty-one days' notice of withdrawal are as follows:
10.00% per annum for funds not liable to CRT 7.48% per annum for funds hable to CRT requiralizes to 10.69% per annum to a standard rate

Standard & Chartered

NATIONAL *irobank*

National Girobank announces that with effect from close of business 15 July 1985

Base Rate

Its base rate was reduced from 12½% to 12% per annum

10 Milk Street LONDON EC2V 8JH

Hill Samuel **Base Rate**

With effect from the close of business on 16th July, 1985, Hill Samuel's Base Rate for lending will be decreased from 12.5% to 12% per annum.

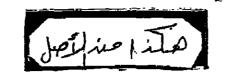
DEMAND DEPOSIT ACCOUNTS

Depositors not liable to deduction for basic rate tax 8.5% per annum gross Depositors liable to deduction for basic rate tax 6.35% per annum net 9.07% per annum gross equivalent Interest to be paid quarterly and rates are subject to variation



Hill Samuel & Co. Limited

100 Wood Street, London EC2P 2AI, Telephone: 01-628 8011.



More ballot to join breakaway miners' union

BY JOHN LLOYD, INDUSTRIAL EDITOR

MOVES TOWARDS the fragmentastrengthened yesterday when the executive of the 3,000 Derbyshire mineworkers voted to explore a breakaway from the NUM with the now independent Nottinghamshire NUM. It will hold a ballot on a split

Mr Ken Toon, general secretary of the South Derbyshire NUM area, said: "It is a sad day but we have

had enough."

The Nottinghamshire area, the majority of whose miners chose to work during last year's national strike, broke away earlier this month in protest at rule changes agreed at the annual NUM confer-

Other mining areas may now follow the same route as South Der-byshire. Mr Jack Jones, general secretary of Leicestershire's 2,500 miners, said his executive would probably endorse a split with the NUM when it meets next month.

ship of this union can be called out on strike without any individual ballot votes," he added.

Mr Roy Lynk, leader of the Notts tion of the National Union of Mine-workers (NUM) were further other groups, including the staff strengthened yesterday when the group, Cosa, would draw close to his

> "My impression is that men will breakaway in other areas like Yorkshire on a pit basis, or perhaps small groups. Our aim is to set ourselves up as the democratic union for mineworkers." Mr Lynk said he had not ruled out merger with other unions outside of the mining industry. The Notts union is a member of Mainstream, a grouping of right-led

 Any decision about whether to negotiate with the new union was a matter for Mr Ian MacGregor, the National Coal Board (NCB) chairman, Mr Peter Walker, the Energy Secretary, told the House of Com-

Pressed at Question Time by Conservative MPs anxious to see the Notts men in early talks with the NCB, Mr Walker said he was sure "We have now seen the whole Mr MacGregor would take the deci-rule book practically rewritten sion responsibly. Referring to a which, despite assurances to the weekend call for miners' unity by contrary, means that the memberbeen caused by Mr Arthur Scargill,

Analysts' ratings revised

EXTEL, the business information group which this year took over the production of an annual survey of UK investment analysts from Continental Illinois, mistakenly divided the votes for the Hong Kong-based stockbroker Wico under two names. pushing it down the ranking. Extel is to revise the survey, which was published in the FT last week.

Wico, which was sold by stockbroker Carr Sebag to Exco International in 1982, is also known by its former name WI Carr Sons and Co (Overseas). In recent surveys it has had a strong reputation in the Far Eastern sectors among the invest-ment managers whose votes make

up the annual ranking. In last year's survey Wico ran a close second to Hoare Govett in the Hong Kong sector and came second and third, respectively, in the Japanese and Far Eastern sectors. In

: 13)

100

, n

this year's Hong Kong rankings WI Carr (Overseas) is listed third, behind Vickers and de Zoete & Bevan. However, if those who voted for Wico are included the group emerges top of the poll.

In the Japanese sector, the combination of the two listings puts Wico second behind Vickers, compared with third and fourth place, and in the overall Far Eastern rank ings the combined vote puts it first, rather than fourth and fifth.

• Last week's report stated incorrectly that Scrimgeour Vickers, ranked third, had been rated only as "good" by fund managers, rather than the "very good" rating it actu-ally received along with James Capel. Phillips & Drew, which was ranked second after James Capel, was rated as "good" along with five other teams of stockbrokers.

RETAIL SALES VOLUME 106 1984

Peak for retail spending in quarter

SPENDING IN shops and stores reached a record level in the second quarter after a subdued opening to the year.

Provisional figures yesterday showed a substantial rise in the volume of retail sales in June to an index value of 118.1 (1980 = 100) in volume terms. The previous high was 115.6 last December.

This was 1.3 per cent higher than the index for May and pushed the second-quarter average to a level 2 per cent higher than that for the first three months of the year and 4% per cent higher than for the same period a year ago.

☐ BORG-WARNER'S automatic transmissions plant in South Wales, due to close by next March, is expected to be reprieved. A new project for the U.S. trans-

mission group's UK subsidiary in-volves intended investment of ☐ PORTSMOUTH and Sunderland Newspapers has reached an agree

ment with the National Graphical Association, the craft print union, to allow the direct input of editorial copy by journalists. The deal is the first of its kind in Britain. ☐ THE TELEVISION industry - including broadcasters, manufactur-

hold a joint promotion for teletext to try to boost flagging sales. ☐ THE IRON and Steel Trades Confederation, the main steel workers' union, is to urge minimum UK content legislation for all goods made in Britain.

ers, retailers and renters - is to

AMERICAN BAR ASSOCIATION CONFERENCE

U.S. 'entitled' to use force against attacks by terrorists

BY WALTER ELLIS AND RAYMOND HUGHES

THE WILLINGNESS of the U.S. to use "appropriate force" in the war against terrorism was acting as a deterrent and having a "moderat-ing effect" on the country's enemies, Mr Abraham Sofaer, legal adviser to the State Department in Washington, told the American Bar Association (ABA) in London, yes-

Mr Sofaer's remarks follow the recent hijack by Lebanese extrem-ists of a TWA aircraft in the course of which a U.S. Marine on board was tortured and shot dead. President Ronald Reagan has since warned terrorists, and the states alleged to support them, that U.S. pa-

tience had run out.
"They had best heed his warning"
Mr Sofaer said. "International law recognises the right to use force in self-defence against the attacks. The groups that are responsible for attacking us in Lebanon, El Salvador and elsewhere have openly announced their intention to keep on

trying to kill Americans.

To the extent that they are statesupported, or beyond the capacity of their governments to control, we are entitled now to use necessary and proportionate force to end such attacks.

The ABA was debating internaism in the presence of Mr Leon Brittan, the Home Secretary; Sir Kenneth Newman, Commissioner of the Metropolitan Police; and Mr American extradition treaty William Webster, director of the Federal Bureau of Investigation. Mr Walter Mondale, the former U.S. Vice-President, was chairman.

While Mr Sofaer was unequivocal in his views on deterrence and the use of force, he was careful to emphasise too, the use of the law in bringing international terrorism to

mestic and international legal of conduct under which they would framework for dealing with terror not say or show anything which

tration had made important progress recently by amending its extra-dition treaty with Britain so that ment would not give in to terrorist the "political offence" exception demands.



Mrs Margaret Thatcher: 'Deny publicity to terrorists'

was eliminated for major crimes such as hijacking and murder.

Mr Brittan wasted no time yes-terday in reminding his audience that those in the U.S. who sent money to Ireland, "which they well know is going to the Provisional IRA," were financing "murder".

Mr Brittan said that Britain was firm in its approach to terrorism. tional collaboration against terror- No hijacked aircraft would be allowed to leave Britain. But international co-operation was vital, and in this connection the new Anglo which has yet to be ratified by the U.S. Senate - would close off a loophole used by fugitives from justice

Mr Margaret Thatcher, Prime Minister, suggested that the media should agree a "voluntary code o conduct "We must try to find ways to

starve the terrorist and the hijacker of the oxygen of publicity on which President Reagan, he said, had they depend. In our societies we do flatly rejected any improper use of not believe in constraining media, force. While force would play its still less in censorship. But ought part, the need was to develop what we not to ask the media to agree Mr Reagan had called "a better do- among themselves a voluntary code could assist the terrorists' morale or In this connection, the Adminis- their cause while the hijack lasts?" She was warmly applauded when

Result of BA's gamble still hard to predict

elayed his press conference, await-

No poker player could have asked

Greene had arranged his summer

vacation well in advance. As the ultimate arbiter in the U.S. for all the defendants to take their District Court of Columbia case of cluding most especially British Airdants' approach and BA had mantalk of a breakthrough might have
ways (BA) - Judge Greene's deteraged by Thursday to persuade even suggested. mination to close shop at the end of the fainter-hearted defendants that last week concentrated many minds the risk was worth taking.

a series of final, final talks which had faltered on the brink of an out- joint venture partner with Sir Fred- Laker while at the same time helpof-court settlement to the Laker die since February 1982 in attempts anti-trust action since May 8.

The last-minute rush to beat the judge's holiday deadline spurred the 10 airlines among the defendelighted with the treatment meted state-owned BA and its 11 co- dants saw it. defendants in the case into taking a

the outcome is still hard to predict. compli. The paperwork took until ton who fully expect Mr Beckman What happened on Friday and its the early hours of Friday morning. to act on Lonrho's behalf. longer term consequences could yet Hours later. Judge Greene gave his Sir Freddie could then j

anti-trust defence, had insisted dations in UK legal history, throughout on an all-or-nothing set.

Then an unexpected thing hapthroughout on an all-or-nothing setwith Mr Christopher Morris, the
Laker liquidator and plaintiff in the
close observer, BA's lawyers made
civil suit seeking damages of
st.lbn, but also with Sir Freddie
Laker himself and Mr Robert Beck

Beckman over costs without further

Laker himself and Mr Robert Beck

Beckman over costs without further

Ultimately for BA, of course, the man, his U.S. lawyer. A formal pro- delay. The two parties met private- real issue must focus on the reacposal was tabled by BA on May 8. As the world knows, it was not a simple deal to strike. In fact, with ing the outcome. Sir Freddie and Mr Beckman turning down offers of \$8m apiece, it for better cards than were now their case in the coming weeks, was beginning after eight weeks to dealt for Mr Beckman. Having playlook impossible. BA therefore de- ed his hand consummately from the cided last week to try skinning the cat a different way.

beginning of the whole affair - incat a different way.

cat a different way. Lord King, BA's chairman, and tive, called on Mr Nicholas Ridley. S8m offer went into the waste paper abandon the compehensive settle- BA and its co-defendants secured in sheet footnote headed "Contingent ment - valued at \$64m, to include exchange has been kept a secret. liabilities." 48m for Mr Morris on behalf of If the agreement has won a se-

vate bargain on the side, moreover, BA's gamble will doubtless be BA would indemnify Mr Morris judged a shrewd move.

IT WAS a blessing for all concerned, perhaps, that Judge Harold tract with Mr Morris.

ment's avowed hostility to the London rho claim - could begin to think BA calculated that, with Mr Mor- again about a firm schedule for ris satisfied, it would be reasonable privatisation.

Alternatively, the outlook for the chances with Sir Freddie and Mr Government, BA and at least some Laker Airways v Pan American Beckman, Judge Greene appeared of its co-defendants could yet be a World Airways et al - the 'al' in- to be sympathetic to the defen- little less sanguine than Friday's

Mr Beckman is reported to have given no promises as to his future wonderfully.

The risk, that is, that Sir Freddie attitude. Some U.S. lawyers private by suggest it would be surprising, to den and rather scrambled ending to away to fight again another day.

The threat of action by London a pursue new anti-trust actions over The threat of action by Lonrho, a pursue new anti-trust actions over ing Mr Morris to implement Frito relaunch a no-frills airline, only day's \$48m deal. But Mr Beckman compounded the danger as some of is thought to have been less than out to Sir Freddie by the BA deal

When Mr Morris arrived in Wash- with Mr Morris, bold gamble. ington on Thursday, anyway, the In a sense, it has already paid off lawyers on both sides appear to handsomely; but in other respects, have served up a virtual fait ac-

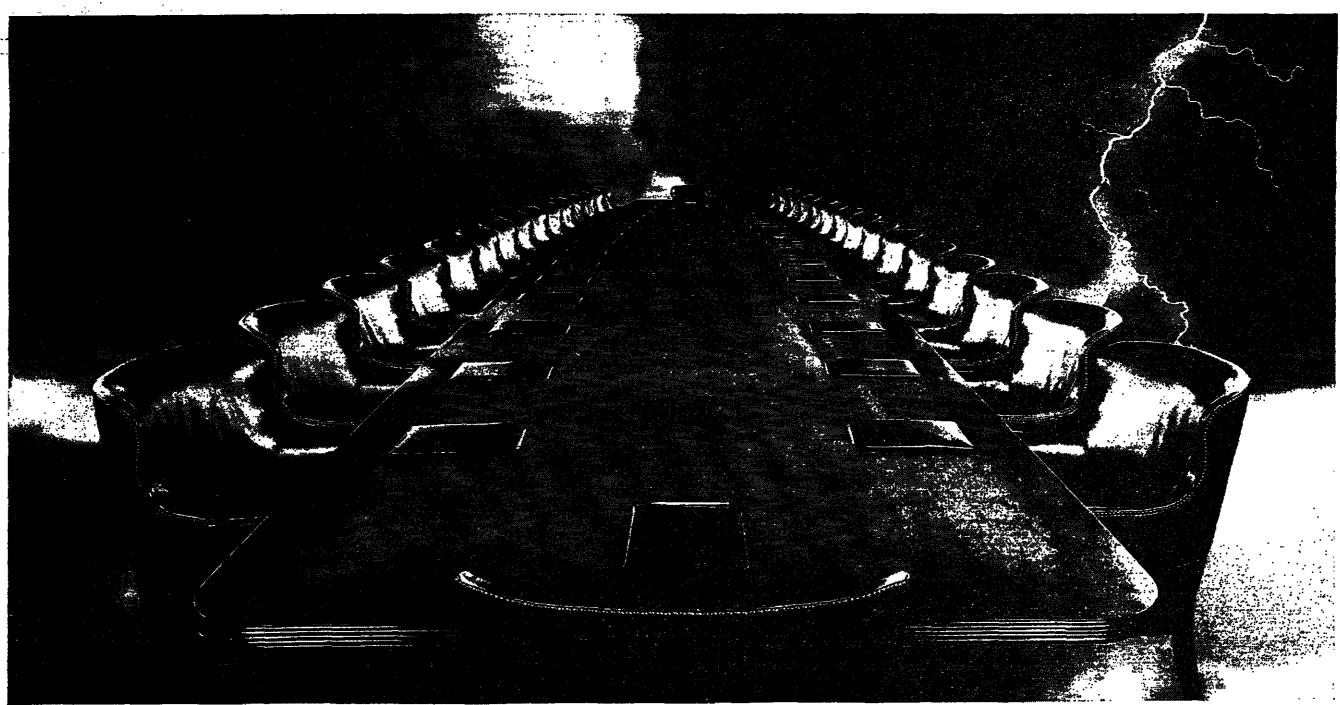
Sir Freddie could then join forces overshadow BA's privatisation blessing and Mr Morris walked with them. It is unclear what plans for some time to come. away, able to announce the end of access, if any, they would have to BA, always the architect of the one of the most successful liquithe documents accumulated by the nti-trust defence, had insisted dations in UK legal history. Beckman on the prowl again is extlement. This meant a deal not just pened. With the ink on the \$48m actly the spectre, as one U.S. coun-

ly with Judge Greene. Mr Morris tion of investors in the City of London. The Government's evident hope is that Sir Freddie and Mr Beckman will sooner or later rest leaving BA to sort out the remaining U.S. class actions over Laker's

It is thought this could be done in were entitled to \$60m - his nerve time for BA to be privatised be-Mr Colin Marshall, its chief execu- did not fail him at the last. BA's tween early December and early February - with Lonrho making an the UK Transport Secretary, on basket and Mr Beckman emerged unwelcome guest appearance in the Tuesday evening. It was decided to with legel fees of \$12%m. But what

The UK Department of Transport Laker's creditors - and to go in- cret undertaking from Mr Beckman and Hill Samuel, BA's merchant stead for a separate deal with Mr not to pursue fresh litigation, and if bank, have yet to weigh up this Sir Freddie decides before August prospect. Any such liability could This would give him the \$48m al- 20 to accept the \$8m left on the well look tame beside other contin-ready envisaged. In a critical pri- table for him until that date, then gencies affecting BA's profits.

There must still be room for a pasty surprise in the coming weeks. against any claim for costs by his Lonrho's threatened action would No one would accuse Mr Tiny Rowlawyer - Mr Beckman, wearing anthen appear much less menacing land, Lonrho's chief executive, of other hat - who was seeking costs and BA - fortified by the Governbeing too predictable.



Announcing the bank for today's corporate climate. First Interstate Bank, Ltd.

Four years ago, First Interstate Bank unified 21 banks into a single retail system across the Western United States. The move gave people more banking convenience than ever before.

Today, we announce First Interstate Bank, Ltd., a bank devoted to corporate financial needs. This move is designed to help you succeed in today's

highly competitive climate. Specifically, First Interstate Bank, Ltd. delivers to you three major integrated capabilities: wholesale banking, capital mar-

kets, and investment services. And, because we are a wholly owned subsidiary of First Interstate Bancorp, the eighth largest banking company in the U.S., you can benefit from the resources and

sophistication that come with \$46 billion in assets.

In wholesale banking, as before, we offer distinctive strengths as a knowledgeable and creative lender. Also, our multistate and multinational network has propelled us to leadership in cash management and trade finance throughout the Pacific Rim.

We give you a strong capital

markets group, with specialized officers in Los Angeles, Chicago, New York, London, Hong Kong and Tokyo. We can access sizable funds anywhere in the world for capital markets clients. And we can tailor any number of services to your needs-including foreign exchange, securities advisory and placement services, interest rate and currency swaps, and more.

Finally, our investment services group is organized to handle complex investment needs. It brings you the zest and specialization of small entrepreneurial firms, with the breadth and credibility of large portfolio managers. It also combines with First Interstate's institutional trust capabilities to provide corporate trust, employee benefit trust, and custodial

So if you find the business climate stormy, contact your nearest First Interstate Bank, Ltd. officer. We've done something about the weather.



Middleshorough

A collapse of the region's economy has left it with the highest unemployment rate in the UK. But it has an armoury of benefits and much to sell



Attack on mountainous problems

By Nick Garnett

FROM THE top of the small parkland on the Riverside Industrial Estate which stretches along the south bank of the Tees, the view upstream and down encapsulates the dramatic and frequently painful up-heavals of Middlebrough's re-cent manufacturing past.

Up the river on the north bank, just outside the borough, the struggling ICI complex at Billingham is a testament to the regional development money pumped into Teesside during the 1960s. Down from ICI the slipways of British Shipbuilders' Harerion Hill shipyard lie de-funct. Victims of the corpora-tion's contraction.

Directly opposite on the south bank, a tiny clutch of new buildings house some manufacturing and service companies attempting to fill the yawning gaps left by the almost total demise of Middlesbrough's steel industry in the old Iron Masters

Further downstream more positive signs of activity are visible in the shape of the massive fabrication sheds and other facilities of Cleveland and Redpath offshore, Whessoe, ITM and Davy Offshore, the largely offshore-orientated engineering sites that have brought new manufacturing activity to this stretch of the Tees.

Looking southwards from the parkland, the office blocks and shopping precincts of Middlebrough's central area stand out in the urban landscape, a sym-bol of the way the town has deliberately gone out to shoulthe urban landscape, a symbol of the way the town has deliberately gone out to shoulder a bigger role as Cleveland's brincipal retail and services rentre.

For a borough of just 150,000 read of the conservative reverse an earlier plan to move the Property Services the centre of a small minimage and made a 27.2m towns and made a 27.2m profit last year. (Tees Dock itself broke even.)

Though Middlesbrough is in move the Property Services the centre of a small minimage. der a bigger role as Cleveland's principal retail and services

at the heart of a county which has the UK's highest unemploy-ment rate (having just out-stripped Northern Ireland's).

stripped Northern Ireland's), jobs and the lack of them make up the biggest single issue. An official unemployment rate of 23.6 per cent—a whisker under 30 per cent for males—is the overriding motivator for a ratige of initiatives by the borough and county councils. These are designed to encourage on a small scale the growth of an entrepreneurial ethic largely ill-developed in an area dominated by big production sites, to attract inward investmena through the marketing of newly cleared and serviced land, and to bolster Middlesbrough as a white collar employer. collar employer.

The task is mountainous and

has not been helped in the view of many local planners, politiof many local planners, politicians and businessmen by government financial cutbacks. The borough council complains, for example, that this year it has just half of last year's £16m to spend on tackling the town's housing problems as part of its environmental improvement programme. This programme has already made major strides in making Middlesbrough more attractive. attractive,
"The economic base has col-

lapsed at a rate that took us by surprise," says Mr John Foster, the borough council's chief executive.

Though surrounded by the large ICI manufacturing sites at Billingham and Wilton and roads, the British Steel ironmaking regular site at Redcar the town of Middlesbrough itself has gone through a period of such traumatic employment shrink-

Middlesbrough and for which land had been cleared is seen locally as a minor disaster.

'Inis would have been a longterm jobs bank for the young in a town where there are 3,750 people under 20 either unempeople under 20 either unemployed or on youth training schemes but only four notified job centre vacancies. Just as important, it would have accelerated the change in employment structure and enlarged the town's small middle class. Middlesbrough's

non-manual workforce forms 28 per cent of the total, against 41 per cent nationally, while semi skilled and unskilled are proportionately higher than the national average.

Middlesbrough planners have much to sell, including good roads, Teesside Airport with regular services to UK and continental destinations and Tees Dock, which with Hartiepool under the Tees and Hartiepool Port Authority is Britain's third largest port system in terms of

Thornaby and the Langbaurgh borough, it is also a short drive from the magnificent countryside of the Cleveland hills and North Yorkshire moors with beautiful villages like Stokesley and Great Ayton.

200 acre Britannia Enterprise Zone designated two years ago, and development area financial assistance. A managing director is being sought for a new local development company to market Britannia, which includes most of Riverside Park, following a report by merchant bankers Hill Samuel who with English Estates the Trustee English Estates, the Trustee Savings Bank and the borough council have formed a kind of enterprise partnership.

A debate is under way on what to do with an 850 hectare slice of the south bank area, including part of Langbaurgh and the defunct Middlesbrough Dock, and now the subject of a Graham Moss Associates marketing report due in October. October.

No one doubts the enormous

difficulties. A number of cam-panies have moved into the enterprise zone but most, like food manufacturer Newboulds, have just relocated from over the zone's boundary. "We need the zone's boundary. "We need a breakthrough in attracting a firm in a key industry." says Mr Les Southerton, the borough's Assistant Chief Planning Officer. One hopeful development has been the opening of a Cadcam centre with 20 associated units, partly attracted in the hope of associating the area with new technology.

technology.

Much development, though,
has been small scale. It includes
the setting up of an enterprise

agency by local businessmen; the Cleveland Co-operative Agency, aided by the county council and supporting small council and supporting small co-ops, including a river boat service; and the Cleveland Technology Support Group which aims to be self-support-

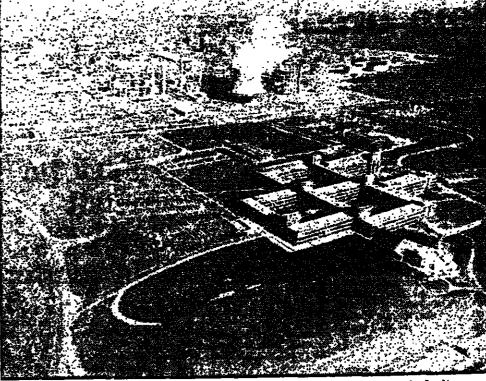
Stokesley and Great Ayron.
Using Captain Cook's birthplace at Marton, Middlesbrough, this natural beauty is being marketed as a tourist centre with heritage trails.

Much of the council's marketing, though is centred on the 190 acre Britannia Enterprise Zone designated two years ago, and development area financial assistance provides units of white collar businesses. A for white collar businesses. A new craft centre has opened

new craft centre has opened and there are plans for two managed workshops. The polytechnic with a long track record in computer studies is now being set up with a biotechnology teaching unit.

The town has had considerable success in bringing improved housing to inner areas like St Hilda's—in one case in conjunction with Ya'l'a the Hartlepool builder—but only after spending f7m on initial environmental improvement work. The deliberate policy of elevating Middless brough to a sub-regional centre has worked in the retail field where major stores have been where major stores have been upgraded as the Cleveland and the later £10m Hill Street shopping centres benefit from

The economic problems of Middlesbrough and the whole of Cleveland are mountainous and everyone is aware that high unemployment will remain for the foreseable future. high unemployment will remain for the foreseeable future. Some cautious long term optimism still survives however. "We need to replace the industries we have lost," says Mr Tom O'Connor, CBI Regional vice chairman who works in Stockton. "I believe we can do this. We have to work out our strategy and sell our skills hard."



ICI's Wilton works at Billingham, the UK's biggest petrochemical site and stilla dominant employer in the area

Jobs fragility underlined

LOCAL AUTHORITIES in and around Middlesbrough are the first to admit that the

are the first to admit that the results of their promotional work to create jobs are very small when contrasted with the jobs gap of about 50,000, created by the great losses of employment.

These shifts have included the closure of British Steel's Ayrton works, redpath Dorman Long's Britannia site (once part of BSC), the Ryland's Whitecross wire works, John Collier clothing factory and GEC's Strewger exchange plant.

In the neighbouring dis-

plant.
In the neighbouring districts of Stockton and Langbaurgh, 14 other plant closures in 10 years have involved big names like Head Wrightson, Shell, Renold chains, Swan Hunter and Rohm & Haas.

One growth area that the borough's consultants have latched onto as a target for Middlesbrough's promotors is offshore work. Five comwithin the town currently employ together 2,499.
ITM, whose founder Mr Alf Duffield is a local man and chairman of Middlesbrough Football Club is starting its tenth year and has carried out a range of work including the production of Grimsby's dock gates. Cleveland Offshore and Redpath Offshore, both part of the Trafalgar group, have of the Trafalgar group, have attracted considerable new inattracted considerable new investment. Davy Offshore was set up in 1983, partly through the activities of six people who left Press Production. Systems on the Tyne. Whessee makes up this group and claims to have the largest site with the greatest waterfront.

Other manufacturers in Middlesbrough include hosiery maker Meridian (part of Courtaulds), Dannimae and

Contraints), Dannina: and Lionweld, an engineering company which makes the "Dallas boot."

However, despite the big job losses over the past 10 years at BSC (from 25,000 to

7,200 in Clevelan; and ICI (from 25,000 to 14,500 in the country) these two still have a dominant employment role. country) these two still have a dominant employment role. British Steel has a big ironmaking and raw material offloading site at Redcar, the Lackenby works, in which £18m has recently been invested, and the Skinningrove special sections works.

Wilton is ICI's biggest UK petrochemical site. Billingham is the centre of the company's agricultural division

ham is the centre of the com-pany's agricultural division where major strides have been made in blotechnology. These developments include the world's only commercial scale plant producing single cell protein (known as Pru-teen): Biopol from which plastics can be made and myco-Protein, a micro-organism based food being produced by Ranks Hovis McDongall.

Underlining the area's em-ployment fragility, however,

ployment fragility, however, ICI shop stewards are worried that another 1,200 job losses might be on the way in Cleve-land.

High Tech Zone

The new CADCAM Centre, the first of its kind in Europe, is fully operational. Companies are now plugging into the night tech. facilities, and taking advantage of the CADCAM accommodation units offered to associated users.

Offshore Operations

Millions are pouring into offshore activities on the River Tees. Both the establishing of an Oceanology site and the advent of the new North Sea fields adjacent to the river are resulting in Middlesbrough becoming a major gateway to offshore operations.

U.K.'s No.3 Port

Versatile, efficient and handling over 30 million tonnes per annum, the port is one of the country's leaders. It is now also the Northern import centre for forest products.

Maximum Benefits

Middlesbrough offers an unbeatable package of incentives. In addition to the Britannia Enterprise Zone, which includes a nine year free rate period and 100% capital allowances, etc., it also has Development Area Status, EEC aid and Local Authority incentives.

Most areas claim good communications, good airport, good sites, factories, and good living. Middlesbrough claims it can beat them all. We would simply welcome the opportunity to prove it. Write to A Noble, Chief Economic Development and Property Officer, Vancouver House, Middlesbrough TS1 1QP, or telephone Don Brydon, Industrial Development Officer, on 0642 222279.

Middlesbrough has got it right -for you

EEC cash for revival sought

South Tees

AS SOUTH TEES iron and steel production has rationalised and moved downstream, so the smaller industries which relied on them for orders have also

closed.
Yet many of the attributes
The area which drew industry to the area could help bring in a new wave of smaller companies.

The South Tees area stretches from Middlesbrough town centre in the west to Tees Dock and the BSC Redcar/ Lackenby complex in the east.
It has river frontage with deepwater access, a shipyard and
Middlesbrough Dock, offering potential for a general cargo

The Saltburn/Darlington railway line which runs east-west way line, which runs east-west through the centre of the area, carries freight and passengers. The area also offers sites for a wide range of industry.

The Britannia Enterprise Zone is an example of what can be done. Nearer the river's mouth, levelled areas of grass, trees and struck have started to

trees and scrub have started to break through the decay.

But some of the money spent indicates the scale of the task. The county council paid £490,000 for Cargo Fleet Wharf, because it had been zoned for industrial use in the structure plan. Survey costs were £30,000; some £139,000 was spent on demolishing part of the wharf; predomilition costs were predomilition costs were £108,000 and the main reclamation works will cost £350,000. It was considered a valuable site because of the deep-water frontage, railway line, and new roads. The council hopes to attract light industry with the 100 per cent government

Much of the South Tees Area, even when levelled, will be suit-able only for use as open space. The heavy factories and mills, when demolished, leave behind

when demolished, leave behind them large reinforced structures and areas of contamination with chemicals which would attack any new concrete foundations.

"Nationally, the emphasis of reclamation has moved from colliery land to urban land, which means less money is available for reclamation," says Mr Alan McCrickord, one of the county council's group planning county council's group planning

omeers.

"The costs of acquiring land are greater, the costs of carrying out improvements are greater, but the grants available stay the same. It makes no sense to be using up green

field sites when areas such as this remain a vast under-used and wasted resource.

A study being prepared for Cleveland County Council and Middlesbrough and Lang-baurgh borough councils aims to assess the best use for each plece of land in the South Tees area, and to produce a balanced and integrated plan for the area's development.

The study is being half-funded by the EEC which it is hoped will eventually provide money towards the reclamation programme itself. It will be one of the first programmes submitted under the EEC's multisector programme.
Part I, dealing with highway

works, has already been sub-mitted. Local councils con-sider the absence of road access to the land north of the railway line to be one of the main reasons why much of the derelict land remains derelict undeveloped.

They estimate that £10m needs to be spent on roads across across the whole area. One bridge recently completed to take heavy industrial traffic cost £1m and was funded under the Department of Environment's inner area programme.

Part II of the study, which is being prepared by land management consultants. Graham Moss Associates, will detail land reclamation and sewerage works, landscaping and general environmental works. environmental works.

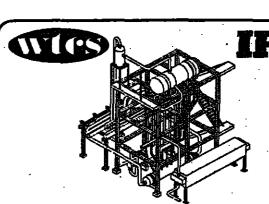
Part of the consultants' brief is to consider the best ways of co-ordinating development in the area and market reclaimed land to various industrial sectors, such as oil rig servicing and fabrication, high technology companies as well as for non-industrial, commercial and recreational uses. Local councils are discussing the possi-

recreational uses. Local councils are discussing the possibility of working with property developers to provide advance factory units. English Estates has already done so.

"You need some imagination to visualise what could be done with the area," says Mr Peter Ellis, also from the county planning department. "But you need to temper it with reality.

"The estuary can be dredged to take the biggest ships. With the skills that exist in the area, we would be in a good position to benefit from the eighth and ninth rounds in the North Sea. But at the back of everybody's mind is the worry that it may be shortlived. We would need to attract high-tech industries as a spin off from rig and platform building."

Alastair Guild



Whessoe Technical & Computing Systems Ltd

are pleased to announce their sponsorship of Plant Industry CADCAM Training Courses at

The Cleveland CADCAM Centre. Middlesbrough. (A 2 week residential course will be available in September, October and November) on behalf of their integrated Plant Systems (IPS) product.

Course details and applications for grants towards fees which can be 100% for contract draughtsmen are obtainable from

The Cleveland CADCAM Centre Riverside Park, Middlesbrough TS2 1RJ Tel: 0642 226211 Whessee Technical & Computing Systems Ltd. Brinkburn Road, Darlington DL3 6DS Tel: 0352 460188

CAM constitution to the way

WHESSOE

Plug into the Cleveland CADCAM CENTRE

Units and sites available to associated CADCAM users with all the benefits offered by the Britannia Enterprise Zone

UNIT RENTS START AT £40 p.w. (No general rates until 1993)

Also Enterprise Zone

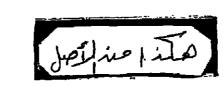
AT RIVERSIDE PARK, MIDDLESBROUGH

NO GENERAL RATES UNTIL 1993
 NOW, ALLOWANCE FOR CORPORATION AND INCOME TAX
 REGIONAL DEVELOPMENT & EEC

GRANTS

Sizes range from 5,000 to 20,000sq.ft. For full details write or phone: David Payne English Estates, Allensway, Thornaby Cleveland TS17 9HA. Tel: (0642) 7659t1





MIDDLESBROUGH 2

Alastair Gould looks at some positive moves to improve prospects in a hard-hit region



Instruction at the Cadcam centre aimed at promoting

Bright spot in the decline

Enterprise Zone

MIDDLESBROUGH Euterprise Partnership shareholders, in-cluding merchant bankers Hill Samuel, the Trustee Savings Bank, English Estates, and buildings built to assemble oil Middlesbrough Borough Counand gas field modules. cit, met formally for the first

This was the cumination of a three-year study by Hill Samuel of the South Bank of the River Tees including the Britannia Enterprise Zone. It produced favourable conclusions on suitability for offshore construction and the possibility

of private investment, and drew up ground rules for the company. E The TSB intends to invest substantially to gain 100 per cent capital allowances, and a

general manager will be appointed to coordinate The area has already made its

The area has already made its mark as a bright spot in Middlesbrough's decline. Where 100 years ago one-third of Britain's pig iron was produced, now stands 107 factories. Almost al line space has been taken by companies ranging from Redpath Offshore, building accommodation modules for the offshore oil industry, to Newboulds, a local firm making delicatessen meats.

a range of incentives, including a 10-year rates holiday from

declared, capital allowances and relaxed planning restrictions. The zone is also a development area, attracting regional assistance, and a steel closure area eligible for cheap EEC loans, Cleveland County Council can also offer interest relief grants or bridging flames. Middlesbrough council bought 130 acres from British Steel for

£250,000 and spent £500,000

(0642) 245151

7,7

ila sii 🎙

. \$ 4.4.55m

reclaiming the land. It has spent £1.75m on roadworks, swers and landscaping and a further £500,000 is being spent

The remaining 50 acres within the zone is owned by Trafalgar House. On the Limborpe Dins-dale site are massive new

The company's other site contains 600,000 sq ft of empty fabrication shops where once more than 1,000 men created structures such as the Sydney Harbour Bridge. These will be demolished and redevalence for demolished and redeveloped for companies moving into the enterprise zone.

English Estates built 27 factories on the council's land before declaration as an enterprise zone and has since con-structed a further 44. These are all occupied and the com-pany is now putting up five larger units, four of which are

Woodhead Construction has built another nine, all now occupied. There are also 20 small units attached to the CADCAM centre. Since 1983 some 95 companies have moved in and rents range from £1.50 to

Don Brydon, the industrial As the UKs larger automotive development officer, points to the sale of two factories of and process industries, such as They have been attracted by 27,000 sq ft and 60,000 sq ft just ICI, switch from manual draftoutside the bone as an indicaing to computer-based design
tion of the success of that

outside the zone.

Rent and building improve-suppliers and subcontractors the capability to handle digitment grants are also available prise zone extended (seen as though they employ skilled premature by the Department craftsmen, have not yet got to of Environment) and hopes the new company will be the catalyst for more development leading to a bigger zone.

Industrial giant helps the young

ICI's position as the largest employer in the UK's area of highest unemployment is increasingly exercising the minds of its managers, personnel officers and trade unionists,

Since 1981, the Wilton petrochemical plant's emphasis has bene on increasing competitive-ness and reducing fixed costs wages by £35m and raw materials and energy by £50m.

Its workforce has shrunk from from 10,000 in 1980 to 6,250 this year. Though this has been this year. Though this has been by natural wastage or voluntary redundancy, "it is a period that none of us want to go through again." says Mr Nigel Clark, joint site manager. "We tried to do it as humanely as possible."

Personnel managers travelled as far as the Middle East to as far as the midnle hast to find alternative employment for those who chose not to retire. They found 120 jobs just by rining round all the companies

in Teesside.

"We still need to reduce numbers, but it will be a more gentle glide than the steep drop we had," Mr Clark says.

The main reason for the reduction at Wilton has been world overcapacity, particularly in ethylene and propylene, with large crackers coming on stream large crackers coming on stream at Mossmoran in Flie and in Saudi Arabia.

petrochemical and plastics division have aso been curtailed because of overcapacity. The main emphasis of expenditure has been to reduce energy costs, and £43m will be spent convert-ing two of the five boilers at Wilton to coal. However, no major investment in new capa-city for Wilton is planned before

For the rest of the 1980s, the numbers of local people recru
numbers of local people
recruited will be small.
"ICI managmeent is becom-

ing more involved in the local debate about jobs," Mr Clark says. "We still aim to run the most competitive site in Europe, but wel have to maintain close links with the community." The company's main involvement has been training for school-leavers, much of it not related to ICI's business. Only

a small number of trainees will be taken on by ICI, though it costs the companyl £30,000 to "We train many more young

people than we can employ," says Mr Jim Conoghan, Wilton's training manager. "There are not many openings in large industries for trained school-leavers. The smaller companies provide some opportunities and they want young people with an all-round ability." A 50-place training workshop run by ICI on BSC premises at Skinningrove aims to give young people a range of skills,

welding and motor mechanics.
"We try to make them suitable gays Mr Conaghan.

ICI has taken a few onto its foundation course, which could lead to an apprenticeship. It accepts 120 a year onto its one-year Wilton foundation course to provide them with broadhave the opportunity to study for further educatoin certifi-

Instructor

"We are trying to develop them into responsible young adults. It is unlikely we will take them all on to secondyear training."

The course starts in September, and in June ICI assesses its future site needs for craftsmen performance allows. The remainder we try to place with local companies while they are still being trained.

"An instructor is taken off course duties in February to canvas local companies. The only way is to knock on their doors."

Last year, ICI Wilton retained 80 trainees, and many of the remaining trainees were helped to find other employment. The company is also involved in the Cleveland Technical and Vocational Education Initiative.

"develop new approaches to learning and an introduction to technology." As part of the five-year pilot, involving seven Middlesbrough schools, ICI lays on 2-day visits to Wilton, gives pupils one-week's work experi-ence and provides the opportunity to talk to ICI employees.

The company is now studying how it can use its technical and business expertise on Teesside. not just in training, but to directly stimulate more em-

There may be limited possi-bilities for joint ventures. Malborough Biopolymers was recently formed with Stocktonbased Malborough Teeside
Management to exploit scientific developments within ICI's
Billingham plant. It is concentrating on using "bugs" to
attack non-biodegradable
wastes such as plastics.

But biotechnology is unlikely to lead to significant growth in local specialist companies in local specialist companies because of high entry costs. ICI has a biotechnology re-search group of more than 200 and is building two manufacturing plants. The company is looking at

encouraging ventures outside its traditional corporate framework in such areas as computer software or industrial efficiency systems. Such businesses might be encouraged to set up else-where in Cleveland, with ICI helping to attract outside partners and venture capital.



Counselling, Planning, Training and Support in the use of computers for design and manufacture.

A wide range of systems and services are available.

The Centre can also help plan and set-up new ventures in co-located units in the Britannia Enterprise Zone.

Get in touch to discuss your requirements.

Riverside Park, Middlesbrough Cleveland, England TS2 1RJ Telephone 0642 226211 Telex 58364 CADCAM G

REACHING YOUR MARKET Tees-side Airport 💠

DURHAM · HARTLEPOOL DARLINGTON · YORK · STOCKTON **NORTHALLERTON - SUNDERLAND** MIDDLESBROUGH

ALSO IO BMA JETS A DAY LONDON HEATHROW---TEES-SIDE INFORMATION TEL.0325 332811

Computer key to growth

Other engineering firms,

which have already started to use CADCAM, may be con-

fronted with problems which they cannot solve on their own.

machining exercise using a PRIME-Medusa system. Even this sophisticated package had its limitations. So a special pro-

Because the centre cannot

afford to provide the complete range of CADCAM systems, it

has drawn up a list of experts

ticular design problems and have expertise in design and manufacture on other systems,

and calls them in when neces

sary. In addition the centre

painted units arranged around a

gram was written.

They are also coming to the

Cadcam Centre

GIANT slag heaps and rusting steel mills are not Cleveland's only legacies of a passing industrial age. The region is also left with a large number of unemployed with traditional engineering skills, while school leavers are becoming more familiar with small computers.

So it is perhaps appropriate that Middlesbrough's CADCAM centre, designed to harness those talents and skills, should be built on the site where steel was first made.

CADCAM centre. Since 1983
some 95 companies have moved
in and rents range from £1.50 to
£2 per sq ft.

The council is concerned that
incentives outside the zone
should match those within. Mr
Don Brydon, the infustrial

But many of these small firms, grips with computerised systems. A map showing the distribution of CADCAM systems throughout the UK tells the story: they are mostly clustered around the south east.

"The technology is new, costly and requires a fresh approach to design and manufacture," says Mr Arthur Llewelyn, the centre's director." tor. The centre aims to help overcome the "natural, native caution" of local businesses.
An entry level course pro-

County Council,
"Newly acquired capabilities improve job prospects, but to use CADCAM systems in industry requires experience and judgment in the application environment. This sort of experience is locked up in the older person who finds it diffi-cult, and perhaps is reluctant to spare the time to get to grips

A solution proposed by the ticeship, pairing the under 25s with the older and experienced person. This is seen as a way into CADCAM for a number of the smaller firms, possibly provided by special work experi

technology."

For Brochure and details of

your nearest stockist contact LIONWELD LTD. MARSH

RD., MIDDLESBROUGH, CLEVELAND TS1 5JS.

For small firms wanting to

buy a computerised system, but faced with the barriers of cost and software management, the centre provides a "walk-in" to attract software and hardfacility. Firms can try out the centre's own systems, before deciding which system to invest English Estates. the

English Estates, developer, was persuaded to put up £2.5m for the development, while Cleveland County Council guaranteed a head lease on the centre for 25 years. A number of firms have already moved in including specialists in robotics, electronics, a small software system company and two engineering design companies.

The centre's next step is to get

centre for advice. A typical engineering problem which the centre has investigated for a centre has investigated for a local firm involved the filleting, blending and smoothing of curved surfaces as found in pressure vessels and pipework. One of the centre's application support engineers tackled this machining avarries using a a financial adviser on hand to provide any small business wanting to raise finance from a bank or venture capital fund with advice on drawing up a business plan. "Too often banks or lines and province instruments of the province of the part of the province of the provi call in a loan just when a com-pany may need additional finance to make the break-through to full profitability," says Mr Llewelyn.

CADCAM Applications Training and Support Company, the centre's operating company, may restructure itself so that it can take equity stakes in companies setting up in the units next to the centre. English Estates is changing its charter so that it can offer

management advice to small businesses.

The indications are that to bring together technology, business, marketing, and finance in a committed package to help near restures is what is needed. invites other suppliers to demonstrate to local firms how their system could help them solve problems. Mr Llewelyn wants to in a committed package to help engender a community spirit, new ventures is what is needed with the centre as its focus. The to stimulate growth in an area companies that eventually move into the 25 small, brightly-



Consultants providing services to the Oil/Gas,

Petrochemical and Power Generation Industries. Ve employ some 500 people world wide with offices in Nigeria, Saudi Arabia, Singapore, Holland, the United States and the U.K., in London and Teesside.

Our Teesside Office, which was established over 12 years ago, currently employs over 100 staff working on Engineering Design and Project Management Services for clients both in the U.K. and overseas.

OUR SERVICES INCLUDE

Front End Engineering and Feasibility

Engineering Design Detail Design

Procurement, Inspection and Expediting Project Control Cost/Planning; QA/QC Construction/Fabrication Supervision

Commissioning

COMPUTER FACILITIES

In-house mini and micro computer supporting Artemis Project Management, Pipe Stressing Structural Analysis etc. plus CAD/CAE and F.E. analysis remote facilities.

We can offer an excellent and highly competitive

service from our Middlesbrough location.

King-Wilkinson Ltd., Endeavour House, Cleveland Centre, Albert Road, Middlesbrough, Cleveland. Telephone No. (0642) 210301, Telex No. 578261



supply boat base and onshore storage facilities.

Whessoe Offshore with its riverside facility at Middlesbrough is well sited and efficiently equipped to supply offshore components and services for the next round of North Sea operations. An experienced team based at this extensive facility on the Tees is ready to provide full design, fabrication, assembly and commissioning services for jacket nodes, flotation tanks, modules, deck supports, structures and other special offshore equipment. Covering 41 acres (16.5 hectares) this modern offshore fabrication yard is adjacent to Middlesbrough Dock and convenient for road, rail and air links north and south. Whessoe Offshore is also backed by the full resources of the main Whessoe works nearby at Darlington. The increased size and extensive quayside and warehousing will allow the establishment of a



WHESSOE OFFSHORE (DIVISION OF WHESSOE HEAVY ENGINEERING LTD)

SCOTT'S ROAD, MIDDLESBROUGH TS2 1QH, CLEVELAND, ENGLAND. TEL: 0642 248417. TELEX: 58344

Galleries/William Packer

Bright bursts of abstract colour

should lead no one to suppose that abstract painting, which it apparently superseded, is done for at last and fading decently away. The reality is that abstraction itself, that embraces so much of its greatest achieve-ment, remains one of the great preoccupations of modernism: and as such it will always sustain the creative interest and tain the creative interest and activity of serious artists, no matter that the critical emphasis may lie for the moment elsewhere. Three exhibitions now in London, of the work severally of Alan Green, Patrick Heron and the late Kenneth Martin, show us just how various, substantial and beautiful such work may be.

Alan Green's latest paintings and drawings occupy the Juda Rowan Gallery (in Tottenham Mews, W1 until August 31). They are deceptive and dis-armingly simple things, and it would be all too easy to turn their bare description back against them. Near squares of canvas, most of them some by 5 feet, on which one flat, apparently undifferentiated rectangle of rich yet drab colour is laid out upon another to leave either a simple border -as it were a painted frame-or, where the central block is so much smaller in relation to the whole, an encompassing colour field or ground: what on earth is there of Art in such things as that?

But the mistake is to take such formal simplicity as the mere shallow or empty teasing of an innocent public. On the contrary, simplicity, informed by making and doing and long experience, has something in it to set the imagination free, and so it is with Green's paintings. Given just a little of the time and close attention they are worth, they soon begin to declare themselves in all their practical delicacy and subtlety of implication and suggestion.

His first concern is to achieve upon the canvas a coat of pig-ment which in its every mark and surface quality is no more and no less than itself. Each the same physical integrity, a and even go on to create space rightness and ease with itself itself.

that 'nsists, with the thick glaze on the raku tea bowl, or the calligrapher's authoritative sweep of ink across the scroll, that it can only be as and what it is, and nothing other. It is no surprise that Green does very well in Japan.

But as with all painting, there is more to them than the bare fact of surface, for to set one figure against another though it is only a square, and to lay mark upon mark, is to

to lay mark upon mark, is to conjure up the sensation of space. And the eye moves back and forth across the margins and intervals, picking up here the flash and shift of colour as it changes in the light, catching there a glimpse, through the open handling of the paint, of something of what lies beneath, long suppressed. All painting carries within itself the secret history of its processes, enough always to excite almost archieological speculation. the flash and shift of colour

Though Green has often worked very large in the past —one such work, a triptych of monochrome panels, hangs hors d'exposition in the topmost room — this newest work is only of small to middling size. But there is no hierarchy of scale by which bigger is better, and if there are good reasons enough for working either large or small, in painting as in all art it is the particular creative necessity that should be decisive. Patrick Heron for his part, in his selective retro-spective at the Barbican (until September 1), shows us that at certain points in a career now of nearly 50 years he had no choice but to work as large as he could manage.

He began and continued well into the 1950s as a painter of landscape and still-life, a leading figure as he still is in the St Ives group, but looking to Paris, and to Matisse especially, as his own work grew simpler and ever more colourful than graphic. It took him some time, as we can see from the fascinating and often delightful earlier works he has chosen to bring back into the light, but from Matisse he realised that colour can supply its own definition of form quite free of any graphic aid, and painting, each surface is dif-from that establish its own ferent, yet each is possessed of weight and position in space,



Kenneth Martin

The landscape painter, however, is free to suggest an infinity within the smallest scope, for the suggestion is hermetic, closed off by drawing and reference beyond the picture plane, all in the mind. But unfigured colour, with no representation or reference to help it other than itself, must rather come out to us, wrapping us round altogether to draw us into the direct physical sensa-tion it affords, of space and light. And it must be tried big.

A brief essay in Parisian abstraction around 1955 and then Heron was out on his own as a colour painter. With paintings that consisted entirely of loosely stated horizontal stripes, and of blocks of colour floating free across an atmospheric field or ground of colour, his own authentic and romantic version of abstract expressionism was well established by the time the wave of New York painting hit Europe in the late

And so he has gone on. He jumps 10 years or so in this account of himself, taking up again in the middle 1970s, with the work sometimes very big, and the surfaces somewhat flatter and more anonymous in the handling. But things are changgrown more complex and various, certainly more graphic once more and oddly suggestive, as though hinting once more at the material of 35 years ago. There is the sense too of adven ture and experiment in the work, rather than of system and theory, which is brave and admirable.

The later work of Kenneth Martin, with a cast back to about 1970 when he turned from sculpture to painting, fills the Serpentine Gallery (until August 4). Throughout his life he had worked within the con-structivist tradition, and was particularly taken with ideas of sequence and systematic projection, and their infinite formal possibilities. The paintings begin under the terse heading Chance and Order, which by 1980 had been extended by the addition of the word Change. At the time of his death last year, at the age of 79, Chance was in the process of being dropped, which suggests the slow, close evolution of the work.

A grid supplies the order, numbers at random supply the chance, which worked together generate a mesh or web of lines, spillikins-like, to be orchestrated, pointed and modified at the artist's discretion. The elegance of the imagery resides as much in the resides as much in the simplicity of the device as in the working of the canvas, for Martin kept his distance as a painter, his paint dry and his handling pawky, unseductive; and the working drawings are no less authoritative than the finished things. We confront it all, and respect it as a body of work, yet at every point we are caught out in our intellec-tual expectation by an ambiguous, unmistakeable visual poetry, speaking quietly to us across the gallery, if only we will wait, and listen, and

'Cheapside' extended

Ted Craig's production of David Allen's Cheapside at the Croydon Warehouse has been extended until Sunday July 21. It stars James Bolam, Jeffery ing now. Some of the work is still very big, but more it seems from physical exuberance than principle, and the imagery has sunday matinee at 4.30 pm.

Baroque at Blenheim B. A. Young

Black ties, long skirts, bare ticity. During the interval toulders, picnicking on the champagne was copiously served shoulders, picnicking on the rass, but not Glyndebourne this time. This grass was more historic, the slope falling from nistoric, the slope falling from the north front of Blenheim Palace down to Capability Brown's splendid park, over-looking the artificial lake he created by damming the River

Blenheim was the location of the European Music Year's gala concert on Saturday, cele-brating the 300th anniversaries of J. S. Bach and Handel, the of J. S. Bach and Handel, the crown of the year's Stately Homes Music Festival, sponsored for the third year running by Lufthansa.

Music in grand houses takes on a new dimension. (I write as a music-lover, not as a music critic.) The programme played

critic.) The programme played by the English Chamber Orcn-estra in the Long Library at Blenheim consisted mostly of old favourites; yet heard in that fine room, acoustically much better than you would guess from its long, thin proportions, they took on a jubilant character, as if for a coronation or a royal wedding.

The festival directorate does these things well. At Blenheim, the ticket gave access to the Park from 5.30 onwards for the Park from 5.30 onwards for the benefit of parties who proposed to eat in the open. The house was open at 7 o'clock, with a guide stationed at every point where you might need one to tell you about the house or the magnificent collection of pictures (I was sorry not to see tures. (I was sorry not to see more people halt at the Epstein bust of the 9th duke—about as far as Blenheim goes towards modern art, unless perhaps the private rooms have some private Francis Bacons of the present family.)

The Mahabharata/Avignon Festival

Anthony Curtis

to visitors.

The concert was The concert was almost entirely confined to music of the baroque period. It began with the "Arrival of the Queen of Sheba" from Handel's Solomon fulfilling the business of an overture. This was followed by Handel's concerto grosso. Op 3 No. 2 of which ICI Petrochemic 3 No 2, of which ICI Petrochemicals and Plastics, the sponsor of this concert, had recently reproduced the first stage of the score in their advertisement in the programme.

Philip Ledger then left the harpsichord from which he had been conducting the band and went to the great Willis organ, installed in 1891, to play Bach's early Fantasia in G. Then came Bach's Cantata No 51, "Jauchzet Gott," athletically sung by the soprano Ann Mackay, who in her first aria was accompanied with a trumpet obligato by Crispian Steele-Perkins. Mr Steele-Perkins gave Purcell's "Trumpet Tune." if it is Purcell's, after the break, and was enthusiastically encored by a champagne-enlivened audience.

When the trumpeter had been allowed to leave the stage, Mi Ledger took the band through the fastest performance of Mozart's Divertimento in D. K136, that I have ever heard. perhaps to excuse it for not being baroque. We then ended, in theory, with Handel's Water Music Suite No 2, with "instruments of all sorts," as a contemporary paper reported in 1717: but, when it was done, Mr Ledger graciously brought Miss Mackay back to sing Arne's "Rule Britannia," with an invi-The concert began at 8 o'clock, and was attended by the duke and his party to add authen- all got the words wrong. tation to the audience to join in the choruses. Naturally, they

Handel/St. John's, Smith Square

Richard Fairman

period were still in progress-This concert brought us the first complete London perfor- but the second part maintains mance of Handel's Clori, Tirsi an unexpectedly high standard. e Fileno (1707). The Handel Tercentenary Festival, which continues for the rest of this arias of anger and energy fol-week at a variety of venues, low and with these the stronger has planned a judicious balance of the old and the new — this dominate the score is established. Clori's "Barbaro! tu non most striking of its novelties. The complete score of the work was not discovered until 1960 and has been little per-formed since. But Handel has, in effect, given us a good chance of hearing its music by including some of its best numbers in other works: Clori's lyrical "Amo Tirsi" turns up in a different guise in the opera Agrippina and the into the Italian/English version

finest arias, went into Rodrigo without any change at all. Heard in context, they can only gain in effect. The musical pace of Clori, Tirsi e Fileno, a pastoral idyll, is carefully wrought and deserves attention on its own merit. The earlier original, weaker in technique-Handel was only 22 at the time and the advances in harmony and melodic grace of his Italian of the orchestra.

very memorable, clegiac "Un sospiretto," one of the cantata's

Clementi Trio/ICA **Andrew Clements**

A vigorous duet, very opera-tic in style, opens this half. Two the first concert a week earlier: more music by Clarence Barlow. and two further components from Walter Zimmermann's Von Nutzen des Lassens cycle, together with Manfred Stahnke's credi." a spirited piece juxtapo The performers were the excel-lent Clementi Trio, based in ing music of violent anger and pathos, is especially impressive Cologne and generally known But nothing is finer than the shepherd Fileno's "Come la ron-dinella" with its unusual lute for programmes in which old music is combined with new works. Here, though, the fare was entirely contemporary. solo and unsettling rhythmic pulse. That later found its way

Neither Barlow nor Zimmer-

mann became a more sharply of Acis and Galatea. focused creative personality from these further samples of In this performance, it was delivered with an attractive poise by counter-tenor Michael their outputs. Barlow's piano trio, 1981, disclocated the first Chance. His rival in love, the shepherd Tirsi, was taken by soprano Jennifer Smith, a little movements of trios by Clementi. Schumann and Ravel and superimposed them according to statistical processes, producing drifting textures of tonal referconstricted at the top, and Alison Hargan was the shep-herdess Clori. Denys Darlow led the London Handel Orchestra with proper ences that gained real focus only when one or other of the care, giving us all the da capo repeats and allowing limited models became readily identifiable. The ear clung to these occasional life-lines too desperately to be able to comprehend ornamentation from his solo-ists. It would have helped if

The second Musica event of the present series on Sunday proved to be a continuation of the first concert a week earlier.

In Zimmermann, at least, there is surely a genuinely original voice to be uncovered, if only one could pin down exactly what permanent charac-teristics that voice had. The first of the piano-trio pieces, Ephemer, a reworking of an earlier piece into an interlude for the present Meister Eckhartinspired sequence, was recognis-able Zimmermann — swirls of pentatonic melodies, painfully protracted string harmonics, and a weakness for heavily poeticised codas. But Garten des Vergessens confounded that, thickly consultating ellements thickly overlaying clumpy ostinatos in a texture that never faltered and resolutely refused to yield to unabashed folksy

> Stahnke's Variations failed to provide much more enlighten-ment. The piece steadily accrued polyphonic lines as melody was piled upon melody, all of them microtone-inflected. The texture become increasingly rebarbative — without Barlow's tweaks of nostalgia or Zimmermann's twinkling sweetness and correspondingly less rewarding, though the Clementi Trio stuck faithfully to its task with plausible commitment.

Judges and Prophets in the Bible. The basic narrative is concerned with a bitter pro-

to the Mahabharata in a tradi-tion familiar to the Western The Bro mind you would have to put together the Odyssey and the Iliad or all the Books of Kings, longed battle between two simulated river running through groups of brothers, powerful it has been prepared for them; princes controlling the destiny of the entire country. They are of divine origin and share a of divine origin and share a backdrop is a naked cliff-face, common ancestor. Their fratria sheer 100 feet of rainy rock cidal quarrel escalates into a global war. Upon this base has times during the night and flourished over the centuries a bounced back every word mass of folklore, legend and uttered by the performers into moral teaching. Embedded the audience with perfect somewhere, for example, in a clarity. Nine hours is a long pause in the action, in the form of a conversation between the still watching characters whose warrior Arjuna and the god names you cannot pronounce Krishna, is lodged the Bhaga and whose ancestry is obscure red-Ghita, a few thousand dedoing horrible things to each

Alesteir Mult Arleen Auger and Della Jones in "Alcina," which

opened last night at Christ Church, Spitalfields.

How may such a massive work e mediated on stage in the West where it is largely unknown? It requires a combination of talents and circum-stances all of which seem to fall miraculously into place near Avignon at this year's Festival. First. a veteran theatre director of amazing nerve and fluency of invention (Peter Brook) who with his adapter (Jean-Claude Carrière) has been planning the project for 10 years; then an international company with actors of different ethnic origins who are used to working closely together on texts ranging from The Cherry Orchard to the The Ik. After that financial support (provided by the Ministry of Culture and the Rockefeller Founda-

To find a comparable work are also performed separately) The Brook company's homein what was once a circus. In the town of Boulbon they have found an even better site, a vast chalk-quarry where a large acting area of dry sand with a entrances on either side are masked with boulders and the

the fate of the world. tachable words out of several other, but with a magician such million which make up the as Brook in charge it passes like a dream.

> He creates an enchanting of illusions through a seeming absence of illusion. For much of The Game of Dice, part one of the play, we are made to believe we inhabit a world of pure fairy tale, and so enter-taining is it, a string of fantastic episodes, miraculous births, gods in heavy mortal disguise, that we hope we can remain there for ever. Gradually Brook weans us from this sorry illu-

The first hint that we are not going to be allowed to escape through merriment from the spectacle of suffering is when a noble woman finds herself betrothed to a blind king (Ryszard tion), plenty of time (nine Maalouf made this scene per- allies on stage helping him hours though the three parts fectly credible and for the rest effect these transitions, the

blindness was an affliction and base is in the suburbs of Paris the other in whom it was voluntary, both movingly played, from the events, comment on This seemed quite different them, moralise about the action, from, say, Ocdipus where the blindness has the whole of Greek logic behind it. Here by contrast we are in a totally illogical, fortuitous world. It is right therefore that what precipitates the massacre, the eventual genocide, should be something so chancy as a game of dice. Yudishthira (Matthias Habich), which changed colour many the border of the Pandayas who are in perpetual contention with their cousins the Kauravas, happens to have a fatal weakness for gambling and on that turns

> The dice game is the one pense since we know the out. staining the sand. of exile in the forest for the los-ing side (Part Two) followed Bhishma, Yoshi Olda's imperial by a war of complete devastation (Part Three). Even so, it is magnificently staged with the crazed leader flinging his dice down with mad impatience as he raises the stake each time to include his palace, each of his brothers, himself and finally his wife Draupadi (Mallika) Sarabhai).

Brook's handling of these shifts of mood from grief to ecstasy, playfulness to gravity, activity to meditation, is always beautifully precise. He orchestrates the work with the rigour of a Bernstein, and each mem-ber of the company responds with such disciplined confidence Cieslak) and vows to wear a that the frequent changes of black band around her eyes for tempo have rhythmic smooth-the rest of her life. Mireille ness. Brook has a trio of loyal

of the play we had two sightless storyteller (Alain Maratrat) characters on stage, one whose who is dictating events to a boywho is dictating events to a boy-scribe, and Maurice Benichou as Krishna. They distance us sometimes even they partici-

Inevitably they are least in evidence during the great war where Brook accelerates the pace to reach a pitch of hysteria. a snare-drum beating out the tempo here, accompanied by wailing brass conducted by Toshi Tsuchitori. The action is spreadeagled all over the set, across the river and up on the cliff top, naked flaming torches pin-pointing the combatants. Here is no token stage war where someone comes on after a few loud bangs and announces victory: it is the real thing in point where Brook permits him-self a tightening of the tension: it cannot really be called sus-an expanding map of bloodshed

> Bruce Myers ter Drona, and Mamadou Diouple's instinctual paflike Bhima-all have moments when they dominate the action in the way that Shakespeare's lesser characters do, but then they fall back and the thread of destiny which the play traces is taken up by some one else. This is even true of the noble avenging figure of Ariung, the unerring marksman played by Vittorio Mezzogiorno who for all his warrior-like genius never becomes a Henry

The production offers a wonderfully exhilarating experience for anyone interested in the potential of the contemporary theatre in the presenta-tion of myth. To have brought it here in his first year is clearly a triumph for the new festival

JAMES HARPER & Co.

Chartered Accountants 7-9 Rue de Montevideo Paris F75016 Tel: (1) 503.11.75 A QUARTER OF A CENTURY OF EUROPEAN SPECIALISATION

Firancial Auditing
Operational Auditing
Business Reviews
Profitability Improvement
Reporting Systems - Review
and Installation
Costing System Installation
Shart, Medium, Long Term
Plaining Implementation
Viability Reviews
Pre and Post Acquisition Reviews
Financial Recruitment
Short Term Assignments
Trouble Shooting
Special Assignments
Business Negotations
Financial Legal Translations
from Spanish, German, French
Italian, into English
Taxition
Company Formations
Business Discussions Aid EUROPEAN SPECIALISATION

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

July 12-July 18

Opera and Ballet

the singers had been in front

LONDON

Royal Opera, Covent Garden: The closing week of the Royal Opera season ing week of the Royal Opera season contains just two performances — Macheth, with Bruson and Dimitrova conducted by Edward Downes, and the dim new production of Rossini's Donna del Lago, with Frederica von Stade inadequately equipped (despite lovely moments) for the title role, and Marilyn Horne in blowzy form as the travesty hero. Coliseum (8363161): Festival Ballet in

Royal Opera House, Covent Garden: Royal Bailet in la Fille Mal Gardee.

HongkongBank (X)

announces that on and after

July 16th, 1985

Base Rate 12% (previously 12½%)

The Hongkong and Shanghai Banking Corporation

The British Bank of the Middle East

Wardley London Limited

the following annual rate will apply

the precise purpose of the

Le Barbier de Seville, conducted by Madrid: Teatro de la Zarzuela. Top Le Barbier de Seville, conducted by Hans Graf, Almaviva sung by Dano Raffanti/Noei Velsaco, Rosine by Suzanne Mentzer, Figaro by Patrick Raftery and Basilio by Ruggiero Raimondi. Opéra Comique (2960811) Bobert le Diable alternates with Soirée de Ballets and with Tosca. Conducted by James Coulon with Raina Kabaivanska in the title role and Giacomo Arazall in that of

and Giacomo Aragall in that of Cavaradossi. Paris Opera (268 5022). **NETHERLANDS** Amsterdam, Shaffy Theatre (Keizers-gracht 324). Solo dance programme by Laurie Booth (Tue to Thur). (231311).

Spanish tenor Placido Domingo ir Othello, conducted by Luis Antonio Garcia Navarro, artistic director Piero Faggioni (Mon); Placido Do-mingo will also perform Othello at the Vicente Calderón football stadi-um (Thur) (221.85.10)

> **NEW YORK** Grand Kabuki (Metropolitan Opera House): A mixed programme of Jap-anese dance takes up a lortnight's residence in Lincoln Center.

SPAIN

New York Grand Opera (Central Park): 12th summer of free fully staged outdoor performances con-ducted by Vincent La Selva has ten-or Ernesto Zuccarelli as Rodolpho and Katherine Luna as Mimi in La Boheme with sets by Shelley Barto-lini (Wed, 7.30pm). 72nd St Band Shell.

Shell.

New York City Opera (NY State): The Mikado, Carmen, La Rondine, Lucia di Lammermoor and La Cenerento-la start the ambitious 20-week replastant the Ambitious 20-week replastant and the Company 41st Season. ertory of the company's 41st se Lincoln Center (870 5580)

New York City Ballet (Saratoga): Mixed programmes including After noon of a Faun, Firebird and Gershwin Concerto in the three-week residence. Springs NY (518 587 3330).

> WASHINGTON nki Medea (Terrace): Before th

American tour, this Japanese ver-sion of Eurlpedes is presented by

arrival of Grand Kabuki on its

the American National Theatre and Wisdom Bridge Theatre. Kennedy Center (2549895).

Lloyds Bank Base Rate

Lloyds Bank Plc has reduced its Base Rate from 12.5% to 12% p.a. with effect from Tuesday, 16th July 1985.

The change in Base Rate will also be applied from the same date by the United Kingdom branches of Lloyds Bank International Limited The National Bank of New Zealand Limited.



Saleroom/Antony Thorncroft

Primitives—at a price

The major salerooms — Sotheby's and Christie's—are winding down for their annual summer break: the gavels are silent for all of August and for most of September. But there are still some excitements to get over first; notably, Sotheby's first sale of English naive and

provincial art tomorrow.

Naive art, the artistic outpourings of the unlearned from the 18th century to around 1900, has for long been popular in the U.S. and commands high prices. This first auction in the UK must be regarded as an experiment. The most expensive lot should be "The fleet off-shore." painted around 1785 and depicting a review at Spithead. It carries a £25,000 top estimate and is perhaps more

decorative than primitive.

Apart from rather fanciful portraits of farmyard animals, pets and children, the sale in-cludes pottery, furniture, shop signs, samplers—and a model of

signs, samplers—and a model of a butcher's shop, mid 19th century, showing the butcher and his assistants surrounded by some gory looking joints of meat. It could top £1,500.

One reason why the salerooms love a big new record price for a picture (on top of the 10 per cent commission they get on the hammer price) is that it quickly draws out more paintings by the same artist. Since the day last November when Christies sold a double portrait by Joseph double portrait by Joseph Wright of Derby to the National

Gallery for £1.4m, owners of J.W. of D. pictures have decided they can live without them.

Christie's has three in its Christie's has three in his British picture auction on Friday. Two are run-of-the-mill portraits, with top estimates of £12,000 and £5,000; but the third, of John Whetham of Kirklington, sent in by a descendant of the sitter, should comfortably top the £100,000 comfortably top the £100,000

A comparable price might be paid for the finish of the Derby in 1859, painted by Henry Alken. A sketch of the christening of the Prince of Wales in 1842—he grew up to be King Edward VIII—by Sir George Hayter carries a £7,000 top estimate. It was sold at Christle's in 1871 in the artist's studio sale for £1 9s. The finished painting, valued at 1,000 guineas, was bought for the Royal Collection. Both Christie's and Sotheby's

are holding antiquities sales this week. Highlights at Christie's today are an Egyptian bronze figure of a cat sent for sale by Lady Clarke (top estimates) mate £20,000); and a Romano-British solid bronze figure of a standing stag, made in Southern England around the time the Romans started to get interested.

At Sotheby's tomorrow, a very rare Phoenician ivory plaque of around 800 BC depicting the goddess Ashtart (Aphrodite) carries a £12,000 top estimate.

Busi

THE MANAGEMENT PAGE: Small Business

BEING TAKEN over by a larger company is not every small busi-nessman's vision of success. At worst, it can lead to de-moralising loss of independence for the founders, a loss of direc-tion for the company and serious clashes of objectives with the new parent. Yet if a sympathetic bidder can be found, a takenver can be a highly desirable option — particularly for small capital intensive businesses hungry for expansion finance.

Few people can know both sides of the argument better than Dr John Hollowood, 49-year-old managing director of Fine Organics, a Middlesbrough-based maker of organic chemicals for drug compaines. Hollowood, who trained as a research chemist, has taken the brunt of three takeovers during his 13-year career in manage-

ment.

He believes that he has at last found the ideal non-interfering owner in his latest parent. Laporte Industries, the UK chemicals group which paid 44.05m for three-quarters of Fine Organics' equity last November. But the decision to accept Laporte's offer was far from easy for a manager who had experienced the frustrations of being acquired and run by other chemicals groups whose other chemicals groups whose ambitions ran at loggerheads

with his own.

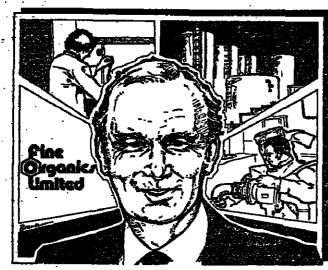
Fine Organics provides an object lesson in how to judge when it is appropriate to exchange independence for the security and investment power of a rich owner. It demonstrates the paramount importance of hitting the right market at the right time, while illustrating the dangers of getting too reliant on one customer; a fundamental risk for any small company selling to an industry — like pharmaceuticals — which is dominated by a handful of giant customers.

The company owes its growth - from sales of £850,000 in its an expected \$8m this years an expected \$8m this years the fact that Hollowood launched into speciality chemicals just before several big producers of even the most adventurous that market as an important diversection opportunity.

Hollowood, meanwhile, is free to run Fine Organics with no interference—in theory at any rate—apart from the seven to meet his own

Organics forms part of a wider any rate—apart from the acquisition strategy designed to requirements to meet his own reduce its exposure to a listless targets and submit monthly bulk chemicals market in favour accounts. "They act as knowof higher growth areas. But why did it make sense for Hollowood to surrender to Laporte?

An important part of the answer lies on a bleak construction site on the huge Seal Sands chemicals complex at Stockton on Teesside. It was there that fine Organics embarked last year on building a £2.25m fac-tory, for which Hollowood was planning to raise £2m from the venture capital industry. That



When marriage is convenient

William Dawkins on a perennial dilemma

Laporte, which met Hollowood through an acquisition broker, immediately offered to put up an extra £2m for the project. It later agreed—at a day's notice—to supply a further £3.75m for enother plant. The group has never invested so much in a subsidiary which it does not fully first year to September 1978 to own—and the way in which it an expected £8m this year — to has treated Fine Organics the fact that Hollowood launched into speciality chemicals just be response and largesse beyond

> requirements to meet ms own targets and submit monthly accounts. "They act as knowledgeable bankers," he says. "They know the chemicals industry well enough to understand my needs but they don't know so much about fine chemicals that they can breathe down my neck." down my neck."

> Ken Minton, Laporte's managing director, explains: "The idea is to create an environment where creativity and flair can flourish . . while at the same time forcing them to justify

favour of outside investors who would understand little about the special problems of making organic chemicals.

Laporte, which met Hollofirst experienced the problems of adapting to a new parent while working as technical director for North Western Oil,

a privately owned Middles-brough group making solvents for the oil industry. The com-pany fell prey to the inde-pendent oil company. Carless, Capel & Leonard in 1973 when its owner retired. Hollowood soon left because Carless refused to finance the diversi-fication he had been attempting into more sophisticated fine chemicals.

of high value chemicals for the drug, photographic and agro-chemical industries. Just a month after they started production, Magnachem, a Houston-based concern, offered £500,000 for the company; an offer too generous to refuse.

where creativity and flair can who was convinced that part flourish . while at the same time forcing them to justify themselves in a sensible financial way."

Not all of Hollowood's alligored for the chemicals industry was up enquiries, but far more difficult to identify good lines. If we commercialise 10 per cent of our enquiries, then we are doing well," says Hollowood.

pany, approached Hollowood with a request for a cheap way of producing cysteamine, an ingredient of Tagamet, its latest

anti-ulcer drug. Hollowood felt sure that cysteamine would be of no interest either to Magnachem or its ultimate owner, Baker International, the U.S. oil and mining services group. Accordingly, he offered to produce the chemical for Smith Kline himself, and even got as far as extracting a £1m order.

In a surprising change of policy, Baker International asked Hollowood to set up Fine Organics as a subsidiary to service Smith Kline. Three years later, by the end of 1980, Fine Organics was making a taxable profit of £850,000 on sales of £3m and Tagamet wasp roving to be a resounding success.

As inevitably as nemesis follows hubris. Smith Kline suddenly decided to bring all of its Tagamet production inhouse, thereby removing most of Fine Organics' business. "Instead of projecting £4m of sales for 1981, I was left with £300,000," says Hollowood, who was promptly despatched by Baker to sell Fine Organics. After several months of fruit-Baker to sell Fine Organics.
After several months of fruitless negotiations with possible
bidders — including Carless —
Hollowood and his operations
director. Alistair Anderson,
aereed to buy the company
themselves. Equity Capital for
Industry and Moracrest Invest-

ments put up 40 per cent of the equity in a deal worth £915,000, with £300,000 of the payment coming as a three-year deferred loan. While the management buy-

out was being completed, a major British pharmaceuticals group approached Hollowood for ingredients for its new anti-ulcer drug. "If they had come in much earlier. we would have lost the deal." he admits. That contract made it much easier for the new Fine Organics to recover, but Hollo-He and a colleague borrowed \$100,000 to set up their own speciality chemicals venture, Tekchem, making small volumes of high value chemicals. wood and Anderson were still

That one customer still accounts for half of sales, but the group as a whole now sells 35 products to 50 customers. The transformation has been

A year later, "we were doing A year later, "we were doing the company and the company; an offer too enerous to refuse.

A year later, "we were doing the company and the transformation has been achieved partly through old-fashioned legwork—" advertising and knocking on doors." low added value, high volume through a growing emphasis work—just the opposite of what on the value of research and I wanted to do," says Hollowood,

In brief ...

NOTTINGHAM University is to set up a management buy-out research unit to gather information and study the performance of newly indepen-

The three-year research programme will cost £60,000 and is being funded by chartered accountants, Spicer and Pegler, with Barelays Development Capital. John Coyne and Michael Wright, who have already conducted extensive research into the growing number of buyouts taking place in the UK, will conduct the project under the super-vision of Brian Chiplin, professor of industrial economics at the university.

MORE THAN 60 organisations have confirmed that they will be participating in the second National Franchise Exhibition, which takes place at the Kensington Exhibition Centre, London, from October 11-13. Details from Alison Slavn, Dresswell Exhibitions, telephone 01 727 1929.

BIG accountancy firms continue to shower would-be entrepreheurs with glossyand often very useful-book-lets explaining how to get

The latest clutch comes from Arthur Young and Peat, Marwick Mitchell. The former's set of 10 leastets, entitled Your Own Business, covers topics ranging from taxation, raising finance, directors' responsibilities and employment of staff.

Arthur Young's guides are not designed to provide the last word on the subjects they cover, but they do contain enough information to enable the budding businessman to talk to professional advisers or bank managers with con-

They are available free from Deborah Jones, Arthur Young, 7 Rolls Buildings, Fetter Lane, London EC4A INH. Telephone 01-831 7130.

Peat Marwick's latest publication, "Starting up your own business," takes the reader in easy, humorously illustrated stages through each point in the process of launching and developing a new venture.

Each page lists in the margin sources of further information and advice on the subjects covered. The booklet costs £3 from Hubert Thomp-son, Peat Marwick, 7 Tib Lane, Manchester, M2 6DS. Telephone 061-832 4221.

Getting workshops to work

MANAGED workshops might is small, but they do provide available from the workshop be simple in concept—embrac-models of what can be achieved managers and the dexibility ing small units on flexible for would-be entrepreneurs and with which successful tenants terms in centrally-managed rehave an unquantifiable indirect can expand into extra space. furbished industrial buildings effect on employment among Winwood reports seven failures -but they are highly compli-cated to set up and administer. The driving

in short, a "driving force" who exemplifies the entrepreneurial talents to which his small busi-

Those are the main conclusions of a study of two such projects, Saltaire Workshops in Bradford and the Avondale project in Bristol, published last week by Shell UK in conjunction with the Depart-ment of Trade and Industry's workshops are becoming an increasingly popular tool for fostering the growth of small

The study's authors, the management consultants Segal Quince Wicksteed, estimate that there were 10 such projects in the UK at the end of the 1970s. Now there are believed to be nore than 50 in London alone, with several more in each major ity. West Germany and the Netherlands are also finding the concept popular.

"It would be foolish to say . . . that all managed work-shops are automatically a good thing," admits the study. Their direct impact on unemployment

cated to set up and administer.

An essential ingredient of a successful project is a strong-minded individual who can win the support of private and public sector sponsors and public sector sponsors and overcome innumerable hitches; in short, a "driving force" who sciences lecturer at Bristol University. Both schemes were conceived and partly funded by local authorities as a way of tackling unemployment in their regions, but they both ran into considerable practical problems in finding premises and raising cash from philanthropic spon-

SOTS. Saltaire had to abandon negotiations for its first building because the lease terms were too onerous, and eventually set up five years ago in a redundant weaving mill, an unused part of the headquarters of the textile concern. Illingworth Morris. Avondale lost its first building to another bidder, but moved in late 1981 into surplus space at a local bakery equipment maker. Thomas Collins and

Company.
Both workshops have attracted tenants from a wide spread of sectors, ranging from commuter software through office furniture, wood sculpture and precision calibration to car maintenance.

Ther survival rate has been encouraging; a result, argues the study, of the business advice

out of the 81 ventures to have taken residence at Avondale, while the drop-out rate at Saltaire is rather higher at 30 per cent, a reflection of the fact that it houses a higher share of start-ups than the more up-

Neither project has been a great money-spinner. Saltaire shows an 11 per cent return on capital costs, while Avondale yields 16 per cent — and these figures would be rather lower if the benefit of non-cash subsidies they receive from sponsors are stripped out

Workshop schemes are therefore unlikely to be commercially attractive in their own right to private property developers. But the private sector might be interested if it could invest alongside local authorities, which would pull together all the various forms of grant aid and public support available, argues the study.
It suggests: "There is clearly

a potential for initiatives along these lines, especially if a local authority were to develop a simple package approach which could be marketed to prospective private sector partners. ise Studies of two Managed Workshop Schemes-Avondale & Saltaire: £4.95 from HMSO, 49 High Holborn, London, WC1V

William Dawkins

risk finance

IT WOULD be a mistake to think that the experience of the successful U.S. venture capital industry can be transplanted directly into Europe or the UK.

The European entrepreneur is not a carbon copy of his trans-atlantic cousin, his tax regime is more hostile to small businesses than that of the U.S., and his markets do not offer the same scale of growth. So argues Tony Lorenz, managing director of Equity Capital for Industry, in his book Venture Capital Today: A guide to the venture capital narket in the United Kingdom, due to be published on Thurs-

Lorenz accepts as readily as anyone else in the industry that venture capital activity has reached unprecedented levels in the UK thanks to a widespread ne or mains to a winespread recognition of the importance of comes into contact with it, while newer technologies to economic offering a fund of practical

have as dramatic an effect on small business development as in the U.S. Moreover, important fore it can flourish fully in

These include limited opportunities to achieve share quota-tions; too many competing centres of technological excel-lence leading to a diffusion and dilution of skills; a relative un-willingness by large companies to buy small ventures' products; and a lack of incentives for experienced employee-managers to strike out on their own. Lorenz proposes few solu-tions beyond noting that recent

trends towards a European-wide venture capital community are encouraging for entrepreneurs. However, the book does not set to deliver. out to solve the industry's prob-lems. It is more intended to first financing (Publishers) Ltd., Fitzwilliam put the world of risk financing into context for anybody who

The world of growth. But, he argues, there advice for small businessment is little evidence that it could seeking investment. Unlike many other guides to the subject, it gives a great deal of authoritative detail about the investors position—explaining, for instance, precisely how it is that different styles of venture capital group decide on equity pricing, and what balance of income and capital gains they

will expect from businesses in varying stages of development. Clearly explained details like that can only be helpful for those on both sides of the venture capitalist's desk. A small businessman who has read this book should find it easier to avoid wasting his-and his potential investors' time —by opening negotiations with a venture capitalist whose management style or expectations of reward do not match his ability

House, 32 Trumpington Street, Cambridge, CB2 1QY.

W.D.

Business Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIO

We are looking for investment opportunities.

The WDA has considerable experience in helping promising businesses to get off the ground.

We have substantial venture capital funds to invest in more good projects. The businesses we back range from start-up ventures

to established businesses in need of further capital for expansion. We also invest in companies whose growth and profitability could demonstrably be improved either by injecting dynamic management or a management

The WDA's role is to devise and implement a venture package to establish the business in Wales.

If you can make a strong case for a good project in a manufacturing or service industry write to: Frank Jackson, Executive Director (Investment), Dept. FT, P.O. Box 100, Greyfriars Road, Cardiff CF1 1WF.

All applications will be treated in WDA the strictest confidence, naturally.







FINANCIAL **FACILITIES** (MINIMUM 250,000)

ble for Property, Equity,
Business Propositions, sub
ricipation.

LYNSAL LIMITED Osprey House 78-80 Wigmore Street London, With 0AS Telext 883979

EXCITING OPPORTUNITY TO INVEST IN THE DEVELOPMENT OF ETHICAL MEDICAL SERVICE AND PRODUCTS Circa £200,000 total. Shareholding and directorship available. Write Box F5796, Financial Times 10 Cannon St., London EC4P 48Y

Dolphin Group of Companies



In Receivership

There is offered for sale the trading stock, properties and other assets of the above companies. Stocks: Comprise primarily steel tubulars

together with a quantity of ancillary oilfield equipment, situated in Europe and USA. Properties: Four separate high quality units at West Tulios, Aberdeen. Three let (average . rental £50,000 PA), one vacant. Further nearly completed development at Altens, Aberdeen comprising two units.

Casing and Tubing: An engineering project in Glasgow to provide an independent threading facility for steel tubulars. The project is in its early stages but considerable development has been undertaken on the property which may be available for sale or lease. Machinery has been ordered and deposits paid.

For further particulars apply to the Receiver

Cork Gully

Douglas J. Watt Esq. C.A., Cork Gully, George House, 126 George Street, Edinburgh EH2 4JZ. Tel: 031-226 3114. Telex: 727803 Colyed G.

MARKETING RIGHTS

Over the exclusive marketing rights of highly saleable new patented plastic injection moulded product. Nationally distributed and making inroads into export markets. Good existing customer base of household names including many mail order catalogues. Company lacks necessary capital to realise full potential of product. Investor should have substantial selling organisation within kitchen/hardware range and be capable of using television to achieve maximum potential.

SANDY GREY & ASSOCS, Hodsock, Worksop, Notts, S81 0TF

FOR SALE SUCCESSFUL KITCHEN PRODUCT

GROWTH COMPANY SEEKING DIRECTOR WITH EQUITY £20,000

A unlose opportunity has arisen for an experienced Manager with equity available, to perticipate in a profitable manufacturing business which is back by a leading UK venture capital institution. The company is based in the East Midlands and the vacancy occurs through retirement of one of the non-executive directors. Forecasted profits are in excess of £... for the financial year and an equity of 10% would be available. The company will be prepared to consider applications from any interested principals make or female.

Please address correspondence 10: The Chairmen, Box F6858, Financial Times 10 Cannon Street, London EC4P 4BY

A unique opportunity to share the growth and profits in new technology

National Radiofone dealership appointments open

Rapid advance in new technology is revolutionisin the whole world of mobile communications.

It is, at the same time,. opening up new opportunities in business. In growth, And in

National Radiofone, leaders in mobile communications, has experienced

spectacular growth since the introduction of cellular radio elephones. Linked to the Vodafone network, we provide strong management, sound financial backing, technological resources, skilled manpower and excellent after-sales service nationally.

And it's not just cellular radio. We cover the entire spectrum of mobile communi cations, including two-way

radio and British Telecom's System 4 network. We are now appointing a

It doesn't matter if your current business interests don't cover the business we are in. As long as you're interested in new challenges that technology is offering us...and as long as you can provide the energy and commitment our business demands...we'd be interested. in talking to you.

So contact Peter Harbour on 021 744 0100 or write to: Peter Harbour, NATIONAL RADIOFONE LTD., FREEPOST, Shirley, Solihull



Quiet Please!

Xerox 2700 & 3700 laser printers on your DEC @

speed & quietness of a quality and versatility of

paper thrift of an accountant Xerox lasers on DEC Θ from Systek Registered Trademark of the Digital Egyppineni Company

Systek Perfectly Matched COMPUTING FOR BUSINESS INDUSTRY SCIENCE AND EDUCATION HR House, 447 High Road, North Finishley, London NIC QAZ, Telex: 8352836

Phone Frances Tate on: 01-349 2911

P.R. AGENCY REQUIRED

Our client seeks to expand its interests and wishes to acquire, through purchase of equity or merger, a public relations agency with an established client base in product/service promotion and corporate communications.

Replies, which will be treated in strict confidence, to: FINANCIAL INVESTMENT AND GENERAL MANAGEMENT SERVICES LTD.

Ref: GD/AM
77 SOUTH AUDLEY STREET
LONDON WIY 5TA

in London New from British Telecom, Network Nine

Your business base

provides a complete package of office and telecommunication facilities for today's independent executive.

Members can call on a wide range of support services including:- Telephone Answering Facsimile Telex Electronic Mail ■ Word Processing ■ Mail Handling

■ Short Term Office Space

meeting facilities in the heart of London's West End. For more information diel 100 and asklor FREEFONE NETWORK NINE or diel direct 01-629 9999, Teleo: 2814/29, Teleonia Colonia Co frect 01-629 9999, Teleo: 281429, Teleoom Gold/TTT Dialcom 81; NN/9018 or Facsinist 01-493 8280.

plus superb conference, audio visual and





REPUBLIC OF IRELAND

Distribution opportunity

Building Materials If you are a U.K. manufacturer and are looking for representation in Ireland, or want to change your existing distribution arrange-ments, perhaps we can help. We are a subsidiary of a London-based public company and already represent many leading U.K. and European manufacturers in Ireland.

For a confidential discussion please telepho Mr Terry Hayden CAPE IRELAND LTD. Harolds Cross, Dublin 6 Tel: Dublin 902755 Telex: 24834

YOUR OWN CONSULTANCY BUSINESS

On seek people determined to set up a consultancy business and who are business "go getters." If you have a specialist expertise and definite plan for success, we provide a London office and support staff to create your own division in return for generous performance related rewards. Areas of interest include Corporate Strategy, Corporate Finance, Executive Recruitment. Finacial Management and Computer Services; other areas will be welcomed. Plasse outline your plans to:

Barrie Pearso LIVINGSTONE FISHER ASSOCIATES LTD.
69/76 Long Acre, London WC2F 9/W

Business Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

YOU KNOW 'YUKILON'

NOW HERE IS THE BRITISH PRODUCT
"SYNLATEX" AT CONSIDERABLY LESS COST!
COSMETIC SYNLATEX (REG. TRADE MARK)
A NEW WASHABLE OIL RESISTANT SOFT FOAM RUBBER SPONGE
"Triple-purposo" Synlatex is, without doubt, quite superb as a make-up off in its application for liquid, pancake/stick foundations and pressed providers. "Foundations can never be a parfect product without a squally good applicator."

INDUSTRIAL SYNLATEX (REG. TRADE MARK)

A NEW WATER ABSORBING OIL RESISTANT SOFT FOAM RUBBER SPONGE
Can be produced in sheet form and precision die cut to any particular
design from thicknesses of 5 mm to 32 mm or from purpose-made moulds.

TELEX YOUR INQUIRY TO:

MANAGING DIRECTOR, SYNLATEX LTD. 3 CHELTENHAM ROAD
GLOUCESTER GLZ OJE - TELEX: 49523 (ANSWER BACK "GO NIC")
TEL: (0452) 27312/21438

BARONS NEW SUPERSTORE

OPENING JANUARY 1986 APPLICATIONS FOR THE SOLE CONCESSION IN THE FOLLOWING DEPARTMENTS CAN NOW BE CONSIDERED FURNITURE - CARPETS - ELECTRICAL - CENTRAL HEATING PLUMBING & BATHROOMS - FITTED KITCHENS - DOUBLE GLAZING CAR ACCESSORIES - BEDS - TEXTILES - WOOD & DOORS ETC SNACK BAR - LIGHTING - KEY & GLASS CUTTING All enquiries must be in writing to the Secretary:
BARONS

57 GT ANCOATS STREET, MANCHESTER M4 5AQ

Proprietors of medium sized Italian Industry

rating in dyeing activities on If of third parties, located in of Milan — well equipped and select clientels — provable revenue, are willing to SELL

THE BULK OR WHOLE OF THE COMPANY'S SHARES We wish to preserve our incognite with possible interested parties Write Box F5861, Financial Times

WELL-KKOWK TOP INTERNATIONAL SALES EXECUTIVE

Own company 25 years, contacts at personal level, most major domestic electrical, motor and other large producing industries, wants to join progressive company, capacity of Sales Director. (2 years experience advertising agency, 2 years level Street. Well known broadcast on LSC, and "Written-up" Financial Times). Hard aggressive selling for IMMEDIATE RESULTS with right company. Only whole-time poution considered. 2 languages. Telephone 0442 54675 for appointment to visit for preliminary discussion—not necessarily for industries above. Any location (Home/abroad) considered.

PRODUCT FOR MANUFACTURE

IN THE U.K. UK manufacturar working to government approved quality standards with medium to light engineering facilities seeks additional product to utilise available capacity.

Advertiger is interested in hearing from any company with a suitable proposal. Manufacture under incence would be considered.

Write Box F5896, Financial Times 10 Cannon St. London EC4P 4BY

DO YOU NEED A SOUTHERN OFFICE? We are looking for people to share tully serviced offices in Central Wattord. 150-300 sq. ft. From approx. 65,500 per annum. 20 mins. Euston. 10 mins. M1.

Telephone Mrs. E. Curran Chorley (02572) 79411 WANTED—Used Computer Type IBM 35 or other makes with similar capability.

EXPANDATE BLOODSTOCK business producing stock for too sales seeks investoralmancial partner, individuals or institution. Betails telephone 051-645 4559 (late evenings) or write: 32 Town Lane. Sebington. Wiyral.

BOVE AIRCRAFT, series, unique condition, and the 1988. Modern strongs and fully reupholstered, 260,000. Alvair Aviation, 0205 301502.

YOU WANT PROFESSIONAL SALES ENGINEERING ACENTS in the UKY MARTINGTONIAL SALES ENGINEERING ACENTS in the UKY MARTINGTONIAL LINK or PROFESSIONAL SALES ACENTS in the UKY MARTINGTONIAL LINK or PROFESSIONAL SALES AND ACENTS IN the UKY MARTINGTONIAL LINK or SALES AND ACENTS INSTITUTE OF SALES & MARKATING Management, 31, Upper George St., Litton, Beds. (0582) 411130.

COMPANY DOCTOR

Excellent record of

Profits Turnround

Management consultant, established over 20 years, specialising as. company doctor in recovery situations, now available for a further assignment. Impaccable references and excellent record of profits turnround. Also available for non-executive directorships, acquisition and disposal negotiations.

Principals please write in strictes confidence to:

A. P. Cohen, EA (Cantab)

A. P. Cohen & Associates

69 Wishlow Park Read

Business Services

GLOBEWIDE

Continues to arrange major Lines of Credit in Sterling and Foreign Currency for:

1. Corporate Finance
2. Property Development and Investment
3. International Trade
4. Refinancing and Capital Restructure

Restructure
6. Mortgages: minimum £100,000

Principals only should write to: GLOBEWIDE FINANCE LIMITED or Tel: 01-727 6474 - Telex: 8953620

LIMITED COMPANIES

MAGAZINES & HOUSE JOURNALS

GRAPHIC PRINT

Cardiff 0222 810940

(Fax G3/2: 0222 810962)

DIRECT MAIL LISTS

& SERVICES

100s of ready-built lists
immediately available
illers to leading UK compi Free Cstalogue:

MARKETSCAN

FREEPOST CHICHESTER, SUSSEX TEL: 0243 786711

Plant and Machinery

FORMED BY EXPERTS One year contracts available at keen prices for short/medium runs in black, spot or full colour. Supero FOR £108 INCLUSIVE READY MADE £111 COMPANY SEARCHES typesetting on latest Scartext installation and complete finishing facilities all in house. London Office. EXPRESS CO. REGISTRATIONS LTD Epworth House 25-35 City Road, London EC1 01-628 5434/5, 7361, 9936 Contact: Ann Humphrey

ADVERTISING GIFTS WITH YOUR MESSAGE Pens Lighters Key Tags 100's of IDEAS for 01-346 8421 (24 hrs 8424) EMC THE PEN PEOPLE

OFFSHORE COMPANIES! Liberia, Parama, Georgey! Fast Confidential Service. 01-377 1474. COMPANY FORMATION & SEARCHES!
Fait Service! Credit Cardi D1-247 5566, ASSETS of Intolvent Companies for sale.
Receiver and Liquidators Classified.
01-637-3036.

G1-037 Jd36.

23.80 PV FOR EC1 ADDRESS combined with phone messages and telex under 65 a week. Prestige offee near Stock Exchange. Message Minders international, G1-628 G998. Televis 881725.

100°, M&A's — Secure tax shelter with excellent guarantees and tax efficient yields. Phone. John Piper on G273 J28311.

FORK LIFT SALE—90 used Fork Yorks electric. diesel, gas, all in excellent condition to be disposed regardless of cost. Will sell separately or in bulk. Will be of great interest to persons running or starroin Mirs Company. All machiness are over to inducence at premiser. Birmingham Fork Lift Truck Ltd. Tel: 021-327 5944'S or 021-328 FOR SALE

TWO USI CLEARING 1562 TON CAPACITY HYDRAULIC PRESSES

ALSO BELT, SCREW AND ROLLER CONVEYORS BATCH WEIGHING EQUIPMENT, ROTARY FEEDERS Disposel of the above is due to a major capital re-equipment programme for manufacture of carbon anode blocks. All items may be viewed operational up to the end of September. OFFERS INVITED Enquiries to M. V. WILLIAMS, 0407 3333 extn. 547

ANGLESEY ALUMINIUM METAL LTD. TELEX: 61327

FOREXTREND THE CURRENCY FORECASTING SYSTEM

Corporate Treasurers and Finance Directors with an IBM PC are totally convinced by this astonishingly successful and fairly priced forecasting package

designed by:
Forexis (UK) Limited
46 Limerston Street
London SW10 0HH
Tel: 01-351 0350

Art Galleries

BROWSE & DARBY. 19. Cork Street, London, W1. 01-734 7584. FINE GRITISH AND FRENCH Delinberg Stawmer and sculpture, 1870-1850. Letter & Gallery. 30. Bruben 51. W1. 01-80. W1. 01

Company Notices

AKZO-JAPHET UNITS (Formerly Algement Kunstzijde Unie) Pormerly Algement Kunszulge Union Holders of outstanding units may, on presentation of the Japhet Bearer Certificates, claim the capital liquidation payment, by forwarding the appropriate certificates on CHARTERHOUSE JAPHET ISC.

1 Paternocser Row, St Paul's.

London ECAM 7DH.

Attn. Securities Dept.

Announcements

MORGAN, READ AND COLEMAN
(HOLDINGS) LIMITED
are pleased to announce the formation of Morgan, Read and Coleman
(International) Limited. On 1st September, 1985, the following appointments will be made:—

Jeremy Less Menaging Director
Peter Preston Director
Ian Kemp Director

concerned with THE BUYER'S DECISION-MAKING

Most companies could achieve a <u>dramatic</u> <u>increase in sales</u> if their salesmen were as

HUGE RETURN

SMALL RISK (GUARANTEED)

MINIMAL TIMESCALE

process as with their own SELLING process. "Understanding How Buying Decisions are Reached"

is a book which will give YOUR

salesforce the inside knowledge needed to

maximise its full sales potential. Phone Frank Thompson for full details 01-5244004

OFFSHORE OIL UNDERWATER TECHKOLOGY

As a major supplier of services and equipment to the offshore oil industry, we are actively seeking acquisitions, products and tachnology in this field. We welcome proposals from individuals, companies or ecademic bodies especially in regert to software, inspection, supplies, and subses maintenance. Write Box F6857, Financial Times 10 Cannon St. London EC4P 48Y

PRIVATE INVESTOR RECUIRED to help accelerate expansion of exciting high market display business. Substantial equity

stake available. Write Box F5865, Financial Times, 10 Cannon Street, London EC4P 4BY

PUBLISHING

Company seaks experienced advertising/publishing person with capital of £50,000 for 40% equity to act as MD for venture showing considerable profit potential Write: BUSINESS SALES 23 Crown Lane, Chislehurst BR7 5PL Tel: 01-468 7244

SMALL, DYNAMIC FINANCIAL SERVICES GROUP (Including Licensed Dealership) Seeks to broaden its capital base to facilitate expansion leading to USM quote Write Box F5862, Financial Times

104 Cannon St. London EC4P 48Y DISTRIBUTION

TOYS/GARDENING

We have national sales forces sell-ing own manufactured lines to all majors, mail order and indepen-dents. We seek sole sgency on compatible products. Write Box F5845, Financial Times 10 Cannon Street, London EC4P 4BY

FOR SALE—INFILLING RIGHTS
Very Important Landall Site with Planning Permitsion and Site Licture for
Extensive Range Committee Materials
Close to Major Committee Materials
Site Area: 28 Acres:
Site capacity: 366.000 cubit merve
(478.000 clyds)
Planning permission and site licence
granted for industrial, Commercial
(non-codic, non-liquid), Domestic and
linert waste.

ACOUISITIONS

ACQUISTIONS
We have a comprehensive register of companies for sale/merger/takeover. If you are a public company willing to make a controversal bid if you are willing to make only non-controversal bids. If you are looking for profitable non public compenies. If you are looking for turnover by acquisition. Ring or write:
Company Counselling
D G D Investments Limited
31 Anchor Road, Aldridge
West Midlands - 0922 55421/2/3

SOLICITORS SOFTWARE PROJECT

Proven accounting and time recording software available under CP/M.
CCP/M. PCDOS. MSDOS and UNIX
operating systems. SUBSTANTIAL
OFFERS INVITED FOR EXCLUSIVE
COUNTRY REGION OF MACHINE
RIGHTS. Write Box G10890, Financial Times 10 Cannon Street, London EC4P 4BY

LOOKING FOR FAR EAST
SOURCE OF SUPPLY?
Director of UK company currently
handling business for companies in
Hong Kong, Taiwan, Koree, Thailand, Philippines visiting Far East
land, Philippines

10 Cannon St, London ECAP 48Y

EQUIPMENT LEASING TAX EFFICIENT RAPID PAYBACK SECURE PROFITABLE TRANSACTIONS For details write Box F5664, Financial Times, 10 Cannon Street, London EC4P 4BY.

SPECIALIST ADVERTISING AGENCY

Specialist below-the-line agency Equity available. Wrke Box F5967, Financial Times 10 Cannon Street; London EC4P 4BY

SHIP WANTED

Small coexter, see going barge, or sizeable trawler for purchase, lease or hire. Details please to: Ref CMH (FT) MONUMENT WAY EAST

Business Wanted

RETAIL MOTOR TRADE DEALERSHIPS REQUIRED

Large National company wishes to expand its

activities in the retail motor trade. Preferred dealerships are likely to be prominently situated in well populated areas. The site required will include showroom and workshop facilities with related parking. Any franchise may be considered which has potential to achieve at least 400 new units per annum. Please enclose all relevant details, which will be treated in the strictest confidence, to box number

H0048. Financial Times, 10, Cannon Street, London EC4P 48Y

SPECIALITY CHEMICAL MANUFACTURER

Our clients, a substantial private chemical company, are looking to acquire companies engaged in the COMPOUNDING/BLENDING/PACKING OR SIMPLE PROCESSING OF CHEMICALS

or related products
Such companies should be PROFITABLE and well based
in their market place, with management to match.
The situation could equally suit family, retirement
capital realisation programme or "non-fit" P.L.C. divestment

GIVESTMENT.
All replies in the strictest confidence to:
KENYON BUSINESS SERVICES LTD
Sumlock House. 314 Chester Road. Hartford
Chestire CWS 2AB - 761: 0506 88810

CASH-OUT OR DISPOSAL?

Two professional managers with marketing and financial skills wish nwo professional managers with marketing and financial skille wish to acquire a business with growth or improvement potential. Funda available exceed Elm. Any industry considered. Complete confidentiality Write Box H0032, Financial Times 10 Cannon St., London EC4P 48Y

> INSURANCE BROKING

Medium sized (commission income well in excess of £1m) Provincis! Insurance Brokers wish to purchase a smsti City/Lloyd's Broker Please reply to:

Box #0037, Financial Times
10 Cannon St, London EC4P 48Y

MAJOR FIRM Involved in insurance broking, life assurance, unit trust advisory services, pensions and benefit consultancy, seeks acquisitions Commusion/les income between £250,000 to £5m pa considered Write Box G10220. Financial Times 10 Cannon St. London £C4P 48Y

CHEMICAL or other TECHNOLOGY Dased Dusines:
Sales (0.25m-(0.5m
Acquisition or Equity participation sought by recently retired director PLC. Confidentialty assured Write Box F3822, Financial Times TO Cannon St, Landon EC4P 48Y

PUBLISHER

Wishing to expand seeks to buy small/medium book/directory publishing company or titles. Ideally management and staff would be retained to participate in growth. Write in full confiden Box H0026, Financial Times 10 Cannon St, London EC4P 4BY

> BUSINESS ADVERTISING

appears every TUESDAY

GILT-EDGED SALES

Outstanding opportunity for personnel of the highest calibre to join one of the most substantial prospective Gilt-Edged Primary Dealers. Fully competitive reward packages will be individually negotiated.

> Apply in confidence to Box A.9070 Financial Times 10 Cannon Street, London EC4P 4BY

INTERNATIONALLY RENOWNED SWISS PRODUCER OF FIRST CLASS AND FASHIONABLE BODY CARE ARTICLES Seeks colleboration with nationally active importer/distributor having a vell established organisation in the periumery/toilstry/gitts market section for the purpose of developing national (GB) distribution on an exclusivity basis

> Contact Via No 3867 R Ofa Oreil Fuessli Werbe AG, CH-5001, Aarau

WE WANT TO TALK ABOUT YOUR MORTGAGE **PORTFOLIO**

If you have blocks of 1st and 2nd merbanes then we are keen to discuss! on Receivables Purchase on Receivables Purchase on Receivables Purchase on Indian Marketing Copportunities as Meritage Administration Services No prosonities too amail to be considered. We aim to help you make the best use of your morifolity assets. The property of the property

EXPORT East Angila based company will provide cost-affective export marketing/menagement service in-house to firms wanting to start exporting actively For further details write or phone: David Franks Ltd. PO Box 33 Moulbon, Newmarket. Suffolk C88 8SH - Tel: (0838) 751132

DOCTORS

Need a businessmen to develop brilliant concept in medical health care into commercial reality with possible USM listing in about five years Write Box F5811, Financial Times

10 Cannon St. London EC4P 48Y

VENTURE CAPITAL

Want to raise venture capital to start or expand your business? * VCR earlies you to reach Britain's most active investors with your proposition. acree awestors with your proposition.

• VCR belps rather money on good terms from compatible partners.

VCR covers the UK. For full detailer

Venture Capital Report

20 Baldwin Street, Bristol 1.

Tel: (\$272) 272250

Swiss subsidiary of large U.S. quoted company can offer substantial savings of up to 50% of printing costs Minimum order £50,000 Please trienbone: Piezse telephone: London 91-836 3396

SWISS HANDLING OF

INTERNATIONAL

TRANSACTIONS

THE KEY COMPANY FOR:

ransactions
Back to back operations
Companies formation,
domiciliation and administration
Setting up countertrade/betters
Marketing countertraded product
Fiduciary and trustee services
DE BERIG SA
12. Chemin Risu
1208 Geneva, Switzerland
Tel: 47 59 80
Telex: 421 896 DEB CH

TURKEY

Trading company with 20 years experience in distribution require additional products/agencies

1—Light Engineering (Dept H4)

2—New Consumer Products (H13)

3—Chemicals (H17)

4—H-Tech Products (H26)

Contact UK rep: M. Cope

408 Hele Rd, Hale Barns, Cheehire
WA15 BTF - Bankers ref, available

REDUCE PRINTING

COSTS BY 50%

Handling of international

MORTGAGES on Commercail Industrial Residential Properties Mesidendal Froperties

—at competitive rates

Write or telephone:

HIRSCH MORTGAGE (INTL) LTD

Europe's leading Mortgage Brokers

15 Berkeley Street, WI

Tel: U1-629 5061 - Teles: 28374

MEDITERRANEAN The owners of 111,000 ag metres of land on the SPANISH MEDITERRANEAN COAST wish to sell or make contact with A COMPANY IN THE LEISURE FIELD with a view to ionit development as A LEISURE, SPORTING, HOTEL CENTRE for which the land is already zoned

Write Box F5855, Pinancial Times 10 Cannon St. London EC4P 4BY

An established, high quality, fast growing COMPUTER FURNITURE AND OFFICE CHAIR MANUFACTURER Seeks overseas sales, preferably through UK based exporters, but will also consider the appointment of overseas distributors Contact: Stephen P. Cheesemen Formak Limited Formak House, St Johns Road Caversham, Reading, Berkshire Tel: 0734 48348

RARE OPPORTUNITY

Company with unique information service requires IMMÉDIATE ADDITIONAL FUNDING OF £100,000-£500,000 For details of this very attractive Venture Capital Investment ring: 01-350-2020

RADIO MAST AND
ANCILLIARY FACILITIES
Overlooking Greater Manchester and
Cheshire at 1200 ft above see level.
Index linked leases producing an
attractive income available for purchase. Considerable potential.
Enquiries to: James Bragg
Messrs Bragg & Partners, Solicitors
St Nicholas House, High Street
Bristol BS1 2AW
Tel: 0272 277489 - Teles: 44162

TRANSPORT COMPANY tonners. Various trailer accessories. Good tumover and prospects. Lessa-bold premises and yards available if required. Leicestershire area. Personal reasons for selling Please apply to: Box H0034, Finencial Times 10 Cennon St., London ECAP 4BY

BUSINESS

FOR SALE PLANT HIRE COMPANY SE England. Comprises 3 small tool hire centres and heavy plant depot Turnover \$400,000. Substantial tax losses available to \$400.000. Financial Times to Cennon St. London EC4P 48Y

DRINK & CULINARY

FIELDS

UK Patent/Trade Mark and Stock of revolutionary product range with considerable potential.

FOR SALE

Owner retiring. Write Box H0050 Financial Times 10 Cannon Street London EC4P 4BY

OLD-ESTABLISHED OUTERWEAR
MANUFACTURING BUSINESS
FOR SALE In North-East England, Profitable going concern with treshold properties. Owner retiring/emigrating. All replies treated in confidence. Write Bax MOOSS, Flanncial Times 10 Cannon Street, London 5C4P 4BY

> NEWSPAPER FOR SALE

The Westcountry's leading free newspaper. Write Box H0027. Financial Times, 10 Cannon Street, London EC4P 48Y.

INDUSTRIAL & ENGINEERS SUPPLY COMPANY

Annual Sales 225,000
WELL ESTABLISHED & PROFITABLE
Owner retring, wishes to sail
outright or would consider terms to
suit person with management
capabilities and some capital
Write Box H0036, Financial Times
10 Cannon St., Landon EC4P 4BY

GROCERY CASH AND

CARRY BUSINESS

CARRY BUSINESS
FOR IMMEDIATE SALE - GLOS
Modern 11,500 sq ft long leasahold
premises in prominent ring road
location. Fully equipped, audited t/o
to October 1884 62m pe.
Frice 223,000 + SAV
Piesse contact: Sandoe Luce Panes
28/31 Brunswick Rd, Gloucester
Tel: (0462) 3222 - Ref CJS/JAC

OLD ESTABLISHED OUTERWEAR many facturing business for sale in North-East England, Profitable going concern with freehold properties. Owner retiring/emigrating, All replies treated in congluence. Write Sox H.0035. Financial

Manufacturers of Living Room & Bedroom Furniture

Superbly equipped Factory with modern flow line production facilities. Extensive

Progress, Plant & Machinery, Goodwill, Order Book, Designs, etc.

Joint Receivers & Managers F Stansil, Esq. FCA, & L Hornan, Esq. FCCA Hacker Young Hacker Young St Alphage House, 2 Fore Street, London EC2Y 5DH. Tel: 01-588 3611

(Burton)

business and assets of the above company, comprising:

 Heavy engineering business located in extensive freehold premises with full order book. Surplus premises/land available for potential

issue material). Enquiries to J. A. Talbot or A. D. Lewis at Arthur Andersen & Co., 10 Newhall Street,

Arthur Andersen &CO:

SALE!

SALE! SALE!

SURPLUS TRUCK SALE MASSIVE REDUCTION ON NEW PRICES

200+ VEHICLES We have a one-off offer of over 200 vehicles ranging from 3.5 ton GVW up to 15 ton GVW. A mixture of Panel Vans 4.6 ton GVW up to 7.5 ton GVW and Light Chassis Cabs 3.5 ton GVW to 8.6 ton GVW, plus Truck Chassis Cab from 10 ton GVW up to 15 ton GVW, All UK manufactured trucks available in both right and left hand drive for immediate delivery.

UNBEATABLE PRICES Fleet, trade, export and private enquiries welcome Further reductions on quantity PHONE 0264 24181 Caughey Stoops & Co Ltd North Way, Walworth Industrial Estate ANDOVER, Hants. Telex: 477764

SUDDENLY IT'S SUMMER! French, German and Spanish spoken and understood s testing laboratory offers technical advice and product appraisal companies, funding institutions and business expansion in particular in electronics angineering and communications to hi-tech companies, suttoing manuscript and communications schemes. In particular in electronics engineering and communications within UK and Europe
Hands on financial, marketing and technical services for start-up and existing companies. Funding plans prepared
Call: with companies and the companies of the co

LEISURE CENTRE

GREAT BUSINESS OPPORTUNITY FOR PLASTIC MANUFACTURERS Serious Italian factory offers new 2 pcs complete automatic injection moulds, 4 cavilias with temperature control. Total weight Kg 930. Solid broom for industriel and urban cleaning 1100 Gr. Polypropylene-for machine 800 Gr. -9300 tonnes. Production 30 pcs p/hour. For inquiries to: Gheati Enrico and C SNC via Roma 73 20040 Caponago Milan, Italy

FOR IMMEDIATE SALE BAC 1-13 400 Series and BOEING 727-100 Series EXECUTIVE JET AIRCRAFT SUITABLE FOR HEAD OF STATE OR CORPORATE VIP USE AIR FOYLE LIMITED Haloyon House Luten International Airport Luten, Beds LUZ \$LU Tel: GSEZ 419782 Telex: 825538 AFOYLE G

paines (1951)

V.13 A

Carry Carry Carry Co.

4 7 7

No. of the second

Standard Standard

٠ ۽ ۔

1800 - 18 Salar Salar

ing Tali

٠.

INVESTMENT

A young Hi-Tech company specialising in DATA COLLECTION, CONVERSION, COMMENCATION have been swarded a major contract and requires C120,000 to fund expansion. Equity available to investor preferably who could contribute as a non-executive director to growth and ultimate USM listing Write Box F5880, Financial Times 10 Cannon St. London EC4P 48Y

Businesses for Sale

BUILDERS MERCHANTS NORTH MIDLANDS Full details in confidence from owner's Agents: PARTRIDGE & CO

24 Woodmere Way Beckenham, Kent 01-650 3314 PROFITABLE ASPHALTE CONTRACTING BUSINESS FOR SALE in South West England Turnover 1982/1983 £218,000 1983/1984 £293,000

Write Box H0038, Financial Times 10 Cannon St. London EC4P 48Y

Times. 10. Cannon Street, London ECAP 48Y. NewSpaper For SALE. The Westcountrie's leading free newspaper. Write Box H-0027. Financial Times. 10. Cannon Street. London ECAP 48Y.

WALTER HOWARD **DESIGNS LTD.**

FORSALE AS A GOING CONCERN

Freehold Premises - 50,000 sq ft N. London. T/O £5 million pa approx. Offers are invited for the business and assets, to include Freehold Premises, Stock & Work in

For further details please contact:

Thornton Engineers

The Joint Receivers and Managers offer for sale the

≠ Present turnover £800,000 p.a. (mainly with free

Birmingham B3 3NP. Tel: 021-233 2101.

Tableware

Southern England Profitable medium sized company for sale due to retirement of managing director. Net assets valued in excess of £2.5 million.

Replies should be sufficiently detailed to elicit a response Principals only write to: Box H0030, Financial Times 10 Cannon St, London EC4P 4EY

PAINT AND

WALLCOYERINGS Established specialist distributors trading through East England Turnover in excess of £500,000 with good potential for development Write Box H0031, Financial Times 10 Cannon St., London EC4P 4BY

International

FOR SALE Established US Manufacturer of TRUCK CHASSIS I RUNDER CHASSIS

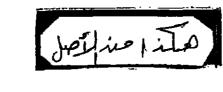
& UNDERBODIES
Sales S8 million — Profits S2 million
Net worth \$1.25 million
Price S5 million with terms
Write Box G10821, Financial Times
10 Gennon St. London EC4P 4857

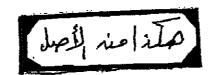
Hotels and Licensed Premises

ESTABLISHED COUNTY HOTEL

★ N.W. LOCATION
★ THREE-STAR RATING
★ PROFITABLE
★ YEAR-ROUND YEAR-ROUND TRADE All replies in writing, from principals only. Write Box H0047, Financial Times, 10 Cannon Street, London EC4P 487.

FOR SALE HIGH QUALITY EAST ANGLIAN RESTAURANT Good situation near to tourist trade and sound base of local and business customers. Annual turn-over approximately £250,000 and growing. for further information please write to: HESELTINE, MOSS & CO Vience House, 3-4 Trump St Landon EC2V SDH





Businesses for Sale

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Paper Folding Machinery Manufacturer

Derucliff Limited

Offers are invited by the liquidator of Derncliff Limited for the sale of the business and undertaking as a going concern. The company designs and manufactures large and small paper folding machinery and other products for the printing trade. Turnover to 31st March this year was about £250,000 with 15 employees. The company occupies leasehold premises of some 8,000 sqft.

For further information contact:

Peter Morden, Spicer and Pegler & Partners, 8 Upper Grosvenor Street, London W1X OAL Tel: 01-493 3621



Spicer and Pegler & Partners

Hille Engineering Company Limited

Sheffield

Long established company involved in the design and manufacture of rolling mills and spring machines.

Principal features comprise:

- * experienced design team and associated patents * substantial contracts at various stages of completion
- *strong overseas order book
- * freehold manufacturing capability on a site of approximately 1.75 acres, which could be sub-divided into smaller units
- * approximately 50 employees

For sale by the Joint Receivers as a going concern.

Enquiries to: A.J. Richmond FCA Peat, Marwick, Mitchell & Co. The Fountain Precinct

Sheffield S13AF Telephone: (0742) 751234 Telex: 54170.



Teloni

. . .

THE STATE OF

Variety.

R.F.Winder Limited **Electrical Engineers** Leeds

The Joint Receivers offer for sale the business and assets of this long established company specialising in the refurbishment and manufacture of transformers, switchgear and rotating plant.

- 4.9 acre freehold site
- 145 employees
- Order book in excess of £700,000 ● Turnover for year to March 31, 1985 £4.2m
- Enquiries to M.J. Arnold, Esq. and A.R. Marlor, Esq. Arthur Young,
 Rolls House, 7 Rolls Buildings,
 Fetter Lane, London EC4A 1NH.
 Tel: 01-831 7130 ext. 3960.
 Telax: 888604 AYMMLO.

Arthur Young

A MEMBER OF ARTHUR YOUNG INTERNATIONAL



Sundowner Holiday Park

Hemsby-on-Sea, near Great Yarmouth, Norfolk 21-acre freehold seaside chalet park, 408 chalets including 49 with possession, 359 leased with regular reviews. High bookings all season through main agency brochure, also: 8-acre touring caravan park (with planning permission for chalet accommodation).

The park operates in conjunction with an amusement complex providing a club, heated pool, amusement arcade, shops, etc. — under

Cork Gully

For sale as a going concern, further intermetion from: Jonathan Sisson, Robin Addy, Joint Receivers and Managers

For Sale

Business and assets of

Saracen Cycles Limited

Leading Quality Cycle Manufacturer annual turnover £500,000

- * Stock and work in progress
- CPM wheelbuilding equipment
- * Plant and equipment Goodwill
- Apply: N F Luckett, Joint Receiver.

KMG Thomson McLintock**-**Chartered Accountants 5, St. Philip's Place, Birmingham B3 2PU

WIRE PRODUCTS MANUFACTURER Business and assets for sale as going concern

- A C Metals Fabrications Limited, based in Wednesbury, West Midlands, is a manufacturer of wirework trays, baskets and storage systems for food and other industries.
- Turnover approximately £1.5m per annum with assets comprising stock, plant and machinery amounting to £300,000.
- Leasehold premises of approx 60,000 sq ft

Contact: J.K.R. Jones, Joint Receiver and Manager Robson Rhodes, Centre City Tower, 7 Hill Street, Birmingham, B5 4UU Tel: 021-643 1936 Telex: 339420

ROBSONMAHODES

- Windshields of Worcester Limited is engaged in the manufacture of glazed units and fuel tanks for the motor industry, and fabrication of pressed steel
- Leasehold premises of up to 60,000 sq ft available if

Contact: J.K.R. Jones, Joint Receiver and Manager Robson Rhodes, Centre City Tower, 7 Hill Street, Birmingham, B5 4UU Tel: 021-643 1936 Telex: 339420

ROBSON MAHODES

Printing and **Typesetting Businesses for sale**

The Joint Receivers offer two divisions of West Central Printing Co Ltd for sale.

- *Leasehold premises in London W1
- * Latest computerised laser typesetting equipment
- * Leasehold factory with office facilities in
- Haverhill, Suffolk * Printing plant and machinery
- * Stocks of paper, ink and other raw materials
- *Work in progress and order book
- * Fixtures, fittings and office equipment.
- Any enquiries to David Buchler
- or Lee Manning at: Arthur Andersen & Co.,
- POBox 55,
- 1 Surrey Street,
- London, WC2R 2NT.
- Telephone: 01-836 1200







The Joint Receivers offer for sale the business assets and goodwill of Royal Stafford China Limited.

The Company operates from freehold premises in Burslem, Stoke-on-Trent, the lease having a total floor area of approximately 147,000 sq. ft. on a site of 1.9 acres. Turnover of £2 million p.a. is at present principally through mail order and the Company's own small retail shop.

The Joint Receivers Roy Adkins and Geoffrey Harrison THORNTON BAKER Kennedy Tower, St. Chads Queensway, Birmingham B4 6EL Tel: 021-236 4821 Telex: 337955

Thornton Baker



SOLAR METAL INDUSTRIES LIMITED (IN RECEIVERSHIP)

The joint receivers and managers offer for sale the business and assets of the above company which manufactures a large range of bed frames and headboards, bedroom furniture and display stands in brass and other materials for sale to retail outlets and mail order companies. Annual temover about £600,000. Assets available include customer lists, metal working and dry powder coating machinery, stocks, and leasehold premises available for

nquiries to: A J P Brereton FCA, Price Waterhouse, Mark Bouse, Work Street, Manchester, M2 477S Telephone: 861 228 654

rice aterhouse



Highway Maintenance

An opportunity to ascquire a controlling interest in a well established Civil Engineering Contractor with excellent connections in South East England. The company has a turnover of £15m and has successfully traded out of recent non-recurring problems, but the directors perceive the benefits that could result from an acquisition by a financially sound company in the construction industry. For further information,

Coopers &Lybrand Principales only should write to Coopers & Lybrand Shelley House (Ref. 515) 3 Noble Street London EC2V 7DO

D.I.Y. DISTRIBUTION COMPANY FOR SALE

Based in South Yorkshire with a sales area covering the North of England, Midlands and Northern Ireland. The company supplies a wide range of tools and hardware in bulk or own brand. Turnover is currently running in excess of £500,000 per annum from its own warshouse. The expansion potential is only restricted by the cash available for injection and the company is gaared up for national distribution. The proprietor is refuctantly baving to sell for personal reasons.

SMITH, CRAVEN & CO 3 Regent Terrace, South Parade, Doncaster - Tel: 0302 29511

FOR SALE

OIL RECLAMATION COMPANY Situated in North West—adjoining Motorway Network Freehold Purpose Built Property or Approx 2 acres Modara Fleet of Tanker Vehicles Solective National Customers Turnovar in Excass of \$2.5 million Serious Enquries Only

Write Box H0041, Financial Times, 10 Cannon Street, London EC4P 4BY

Business and assets for sale as going concern

MOTOR COMPONENTS

- Tumover approximately £2m per annum with assets comprising stock, plant and machinery amounting

R.F.W. Saftronics Limited

Manufacturers of Electronic Speed Control Systems

Leeds

The Joint Receivers offer for sale the business and assets of this established company with a proven profit record.

- Modern leasehold property of 14,000 sq. ft.
- 34 employees
- Order book of approximately £250,000
- Turnover for year to March 31, 1985 £1.3m Enquiries to M.J. Arnold, Esq. and A.R. Marlor, Esq.

Arthur Young, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH. Tel: 01-831 7130 ext. 3960. Telex: 888604 AYMMLO.

Arthur Young

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

Speciality Continental **Foodstuffs**

For sale: Assets and goodwill of a well established manufacturer, wholesaler and distributor of Continental foodstuffs specialising in sausages and salamis. The business, based in Northampton, is located in a modern spacious freehold premises of approximately 35,000 sq. ft.
Turnover approximately £1.6 million per annum.

For further details contact: Robert St. J. Builer THORNTON BAKER 49 Mill Street, Bedford MK40 3LB Tel: 0234 211521 Telex: 826340

Thornton Baker

BUILDING INSULATION, ROOFING and FIRE PROTECTION

BUSINESS FOR SALE

PROFITABLE, SPECIALIST AND INCLUDING MANAGEMENT Current turnover approaching £4m with National Development potential

John C. H. Twigg MERCANTILE SECURITIES 38 The Green, South Bar, Banbury, Oxfordshire OX16 9AE

Contact:

ENGINEERING SUPPLIES WHOLESALE BUSINESS

supplying the coal inclustry, gas and water authorities and their approved contractors located in the North of England is availab approved contractors sociated in the reason of a figure for the year ending March 1986:

Enquiries to P S Padmore, FCA., (Ref: PSP/IMW), Price Waterhouse, Southwark Towers, 32 Landon Bridge Street, London SEI 9SY. Telephone: 01-407 8989 Telex: 884657 D. rice

Vaterhouse

COMMERCIAL INTERIOR DESIGN **FURNITURE SALES & CONTRACTING WORK** An exceptional opportunity to acquire a highly profitable and successful company with an outstanding portfolio of clients in the South Midlands and London areas. Well maintained freehold showrooms, design studio offices and presentation suite in unique location.

The sole reason for the sale is that the parent company management wish to devote their time and resources to their expanding property development activities.

For further details write Box H0029, Financial Times 10 Cannon Street, London EC4P 4BY

FOR SALE PLANT HIRE COMPANY

LOCATED IN SCOTLAND WITH GOOD MOTORWAY ACCESS Hiring Industrial equipment and tools to the construction industry Turnover £40,000 ps. Accumulated tax losses available for transfer company will be sold with or without valuable freehold building and 2½ acres of land Principals only apply in writing to: Tom Glimore, Account Controller AUSTM KNIGHT ADVERTISING UK LIMITED 183 St Vincant Street, Glasgow G2 5QD

DIVERCO Sell Companies Nationwide

SELLERS and BUYERS Contact in confidence:

DIVERCO LTD. 4 Bank Street, Worcester WR1 2EW. Tet: 0905 22303

盆 W. S. Sanderson (Morpeth) Limited

Wholesale wine and spirit merchant for sale based at Morpeth, Northumberland.

- Two distribution centres
- 23 off licences (throughout North East) ◆ Recent annual turnover £9,000,000
- Plant, machinery and stocks

For further details apply to: A. R. Marior FCA, Arthur Young, Norham House, 12 New Bridge Street, Newcastle upon Tyne, NE1 6AD. Telephone: 0632 611063.

Arthur Young

Business and assets of well established

- * Plant and equipment
- Stock and work in progress Goodwill

Apply: N F Luckett, Joint Receiver.

(MGThomson McLintock. Chartered Accountants 5. St. Philip's Place, Birmingham B3 2PU Tel: 021-236 7991.

Listed Building in Rural Setting Close to Town Centre Suitable for Conversion to Flats or Hotel

Write Box H0040, Financial Times 10, Cannon Street, London EC4P 4BY

SPECIALIST MINING PLANT SALES AND HIRE

The opportunity has arisen to acquire a business supplying and hiring specialist plant to the mining and minerals extraction industries located in the North of England. Projected turnover for the year ending March 1986: £1.44 million.

Enquiries to P S Padmore, FCA. (Ref. PSP/IM/W), Price Waterhouse, Southwark Towers, 32 London Bridge Street, London SEI 9SY.

Telephone: 91-407 8989 Telex: 384657

rice

SAND AND GRAVAL MERCHANTS

FOR SALE Gld established company in East London
Current burnover in excess of 27.75m
Modern fleet of 17 bulk tipping former. Long local authority lease expuring 1959 with workshop and office facilities and yard covering approx 0.52 acre

Write Box H0043, Financial Times 10 Cannon St. Landon EC4P 4BY

MECHANICAL DESIGN ENGINEERING COMPANY

Located SE Surrey for purchase T/O APPROX 200K PLUS Owner planning to retire in 2 years Customers include many hi-tech groups in Surrey area Modern machinery, sound management and highly profitable Principals only apply: Company Advisor Ref DP85 Box H0038. Financial Times 10 Camon St. London EC4P 48Y

FOR SALE

apid Growth Groundwork Compa £2.5m turnover Located on South Coast standing contracts up to fire Principals only piesse write in confidence to Bax H0044 Financial Times 70 Cannon St., London EC4P 4BY

SURREY BASED **ELECTRICAL CONTRACTING** COMPANY For Sale as Going Concern Turnover approx (200,000 with good order book Replies to Box H0045 Financial Times 10 Cennon St., London EC4P 4BY

FOR SALE ADVERTISING AND PUBLISHING COMPARY

FOR SALE

GARDEN AND WATER GARDEN CENTRE Turnover in excess of £320,000 3 Agre Freehold Site In East Anglie Further details from:

LEISURE SALE Well established profitable, mobile bome holiday business for sale as going contern. Fully equipped modern units stead in France. Extensive mailing list with large percentage of repeat bookings, Turnover in excess of £200,000 with high profit margin. Sound investment with enormous scope for expension. Wirks Box H0005. Financial Times 10 Cannon St., London £C4P 48Y

Approx Sales (\$m)

International

We represent the following United States Companies seeking to be Acquired: Activity Pelecommunications (South) Housewares Distributor (North-East)

Pre-Cast Concrete Contractor (California) Industrial Plastic Fabric Manufacturer

Principals only write Box H0025
Financial Times, 10 Cannon Street, London ECIP 4BY

(in Receivership)

Bottling plant

200 employees

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

For Sale

Manufacturer and Assembler of Cycle Products

Assets include:

* Order book

STRATFORD-ON-AVON

71 acres Freehold

FOR SALE

'aterhouse

PLANT HIRE COMPANY Located in North Midlands Freehold premises of approx Modern fact of premium machines machines

* Lucrative contracts with major

pic

* Turnover £500,000 plus
(Net profit £110,000)

* Approx £400,000 tax advantages Write Box H0041, Financial Times 10 Cannon St. London EC4P 4BY

with prestige publications substantial profits substantial profits
Enquiries in confidence to:
John Barrington
c/o Balfour Silver & Scott
61 College Road
Harrow, Middx AK1 1DE

ALDREDS 17 HALL QUAY, GREAT YARMOUTH Tel: 0493 844891

AMERICAN COMPANIES FOR SALE

17 15

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY Telegrams: Finantimo, London PS4. Telex: 8954871 Telephone: 01-248 8000

Tuesday July 16 1985

Tough task for Mexico

hesitation over pricing policies this year, has been profoundly damaging to the country's balance of payments. Thus Mexico now risks losing almost the entire annual foreign ex-change saving which it achieved in hard won concessions from the international banks when more than half its debt was restructured in March.

If the benefits of restructur-ing can be eroded so quickly by forces essentially beyond national control, the banks for their part can no longer sit complacently on the side lines believing that altering the time-scale of debt payments is a

reminder not merely for Mexico, but for all those in Latin America that carefully laid plans can go awry within

a short space of time. The strength of Mexico's economic turnround since the crisis days of 1982 had hinged on a tough austerity programme in-telligently executed by the de la Madrid Government. The cornerstone in coping with debt payments and improving the balance of payments has been a savage cut in imports, which have been reduced to half the pre-crisis levels.

Brake

Clearly this level of import restraint cannot be sustained indefinitely, even if substantial import substitution has occurred during the past three years. Indeed when the Government began to permit a modest reflation of the economy in the last half of 1984, imports hearn to nick up again and have

The Government was well ment had promised a clean aware that the economy was in danger of overheating but preferred to do nothing until the given to what are seen by Mexicolar to the second of the control of the cont July 7 congressional and guber-

THE SHARP drop in Mexico's oil income and the enforced readjustment of its prices are an uncomfortable reminder that even the most model of the Latin American debtors is experiencing serious difficulties in sustaining economic recovery.

A sluggish international oil market, combined with Mexican

Baggage

These measures in themselves are no more than short-term adjustments, like cutting the oil price. Far more significant now will be how the Government chooses to act on structural reforms, carrying out its pledge to reduce the role of the public sector and stimulate economic activity towards a new non-oil activity towards a new non-oil export base. Mexico can pay for its imports and service its debt only if it can generate more income through exports and tourism.

Bank of Mexico has been doubled and interest rates have

been raised by up to two points.

The Mexican Government knows this full well, but is still handicapped by the weight of the baggage of the Mexican Revolution and its costly ideas of nationalism and independ-ence. As a result Mexico still cannot present a coherent posture on foreign investment. especially in those strategic areas which interest multinationals.

If Mexico is to retain the sympathy of the banks, and that of its powerful northern neigh-bour, the U.S., then it must make its attitude towards foreign investment less

The de la Madrid governmen has shown in the past week that it can act decisively over the economy. However, a new factor has entered the picture which could have a profound effect on the remaining three years of de la Madrid's term of

The ruling Institutional Revobegan to pick up again and have lutionary Party's triumph in the continued to increase at what recent elections was marred by would seem disturbing levels evidence of large scale fraud. It came would seem disturbing levels evidence of large scale fraud. It came group sales and the increase in domestic demand.

The Covernment was well ment had promised a clear than the covernment was well ment had promised a covernment was real and the covernment was real fraud as the covernment was real fra ment had promised a clean

cans as rigged results can only natorial elections were out damage the democratic legition of the way. While this was macy of the Government and understandable enough in political terms, the country implementing policy.

The diplomacy of culture

THE RELATIVELY low priority attached by the Government to Britain's cultural presence abroad was again underlined on the occasion of the presentation of the British Council's annual report last week. The con-sequences of the spending cuts forced on the Council, detailed by Sir John Burgh, the Director-General, make sad reading and the arguments in favour of a reversal of that situation are becoming increasingly con-

Every government department, it is true, has had to tighten its belt and there is no overriding reason why the British Council should be excluded from the general process. But the cute which it has cess. But the cuts which it has had to make have been so substantial relative to its substantial relative to its overall budget that Britain's image and influence abroad are beginning to be undermined.

Expenditure

The reduction of 20 per cent in real terms of the Govern-ment's grant-in-aid to the Council since 1979 has led to the shutting down of British Coun-cil posts at home and, particu-larly, abroad. Some of these were undoubtedly marginal, but what is much more important is that the Council's activities in newly-emerging countries and regions, like China and South-East Asia have been nipped in the bud. There are those who argue that, with the ending of Britain's

should maintain or establish its cultural presence in countries like India, China. Malaysia and like India, China, Malaysia and Indonesia which are already, or could become important trading and therefore political partners. Other medium-sized European countries like France and West Germany, to say nothing of Japan, have not made the mistake of looking upon what has become known as cultural become known as cultural diolomacy as a disposable adjunct of foreign policy. France, with total expenditure on cultural relations of £300m in 1984, is spending nearly four times as much as Britain in this

area, West Germany three times

low as much and Japan 50 per cent

more.

The reason is that cultural contacts, though often not quantifiable in money terms, are as important an element in cementing relations between countries as trade and one can help the other.

The area in which Britain is

most vuinerable as the result of the government cuts is the education of foreigners. While education of foreigners. While the Japanese have decided to make a tenfold increase to 100,000 in the number of over-seas students in Japan by the end of the century, the number of foreign students coming to Britain has declined by 37 per cent since 1979 when full cost fees were introduced. At the same time, the British Council has been forced to postpone the opening of a new office in Shanghal which could tap the very lucrative and almost limitless market for English-language students opening up in China.

It is not just that quite close links can be created between the oversease students and the

the overseas students and the country they are taught in, which could be of great benefit if those students later rise to prominent positions in their own country. It is also that the provision of educational services can be made profitable.

Sponsorship

The British Council has already demonstrated that this can be done by making profit of £1.5m from its English-language teaching activities in 1984. It is also involved in a scheme founded that, with the ending of Britain's world-wide role as an imperial nation, there is no longer any need to disseminate its culture and education to all corners of to attract overseas students to the globe. The reverse is true. Britain, which could yield an At a time of declining political estimated \$7.7m in fees over the globe and economic influence it is all the next four years and has obtained private sponsorship obtained private sponsorship for some arts activities.

The Council is therefore making a real effort to bridge the financial gap. It is not just sitting on its hands and "wingeling," in the words of Sir John Burgh to a Commons Select Committee. His request Select Committee. His request for a restoration of the savings imposed on the Council this year and for an additional £2m for each of the next three years should therefore be treated positively by the Government. It represents a drop in the ocean for the Treasury, but could make a noticeable difference to British's meetics.

PRESIDENT REAGAN'S low-key policy of "con-structive engagement"

towards South Africa—the attempt to secure change through quiet diplomacy—is now in worse trouble than at any time since its inception over four years ago.

Following lest month's recell over four years ago.

Following last month's recall of Mr Herman Nickel, the U.S. ambassador, to protest about South African incursions into Angola and Botswana relations between Washington and Pretoria have become considerably strained. Washington's longrunning efforts to push Pretoria into a wider regional peace agreement remain frustrated.

In the U.S. discontent with

In the U.S., discontent with In the U.S., discontent with Mr Reagan's policy has reached the point at which both Houses of Congress have now approved economic sanctions against South Africa for the first time in history. In the coming days, conference negotiators from the two Houses will start trying to produce jointly-agreed to produce jointly-agreed legislation for Mr Reagan's

legislation for Mr Reagan's signature.

Once that legislation reaches the White House, Mr Reagan will be faced with the distasteful choice of either compromising his policy and signing it, or creating a major political outery by vetoing it. Mr Chester Crocker, Assistant Secretary of State for Africa and chief architect of the "constructive engagement" policy, says that the Administration remains "dead set" against sanctions.

So far, the White House has not tipped its hand, in the hope apparently of watering down the sanctions during the conference negotiations. Its final decicious will assert as a state of the sanctions of the conference negotiations.

ference negotiations. Its final ference negotiations. Its mail decision will depend heavily on whether the Bill presented to Mr Reagan is closer to the tougher version passed by the Democrat-controlled House last month, or the milder measures approved by the Republican-led

Kassebaum of Kansas, who which are already chairs the Senate's Africa sub-restricted in practice.

U.S. anti-apartheid pressures

Now the **Senate** fans the **flames**

Reginald Dale, U.S. Editor in Washington, reports on Congressional moves to impose sanctions on Pretoria



committee, is not alone in believing that the conference negotiators will settle on something resembling the Senate version, and that Mr Reagan will

be whether the legislation is attached to a bill containing other items of hard-to-veto items, such as aid to Israel. But the fact remains that both chambers adopted sanctions by more than the two-thirds majorities required to over-ride a Presidential veto.

Republican Senator Nancy Kassebaum of Supporters of the Senate version admit that it is largely sign it.

Supporters of the Senate version would impose both those measures immediately.

The Senate, in addition, would oblige the 350 or so American companies operating in South Africa to provide equal housing and working conditions for provide equal housing the support of U.S. nuclear technology and computers for use in hitherto in the support of the Senate version would impose both those measures immediately.

The Senate, in addition, would oblige the 350 or so American companies operating in South Africa to provide equal housing and working conditions for provide equal housing the support of the Senate version would impose both those measures immediately.

The Senate, in addition, would and working conditions for provide equal housing the support of the Senate version would impose both those measures immediately.

The Senate, in addition, would and working companies operating in South Africa to provide equal housing the support of the Senate version would impose both those measures immediately.

The Senate, in addition, would and working oblige the 350 or so American companies operating in South Africa to provide equal housing the support of the Senate version would impose both those measures immediately.

The Senate, in addition, would and working companies operating in South Africa to provide equal housing the support of the Senate version would impose both those measures immediately.

The Senate, in addition, would and working oblige the 350 or so American companies operating in South Africa to provide equal housing the support of the support of the Senate version would impose the south oblige the 350 or so American companies operating in South Africa to

Its other provisions—a ban on new investment and a halt to U.S. imports of gold Kruger-rands—would be deferred for 18 months to see if Pretoria is serious about ending racial dis-

tial veto.

nology and computers for use in hitherto voluntary Sullivan
Republican Senator Nancy enforcing apartheid, both of principles of 1977. Unlike the
Kassebaum of Kansas, who which are already tightly House, the Senate would
chairs the Senate's Africa sub- restricted in practice.

authorise the minting of a new

U.S., last week's Senate debate blacks, bitter over their failure was outspoken and acrimonious.

Liberal California Senator Alan dential elections, quickly found North Carolina, who led an servative whites, when pressed unsuccessful Senate rearguard to take sides, have discovered, action against the Bill, in the words of one Congress-

American gold coin to compete with the Krugerrand.

Reflecting the passions that the issue has aroused in the apartheid flames. American Liberal California Senator Alan dential elections, quickly found Cranston accused sanctions that South Africa was an issue opponents of racism and com-pared the Pretoria government to "the Nazis of 1939." Right-wing Senator Jesse Helms of ment of the 1960s, Even consuggested that sanctions would man, that it is as un-American "lose South Africa to the Soviet to be pro-apartheid as it is to be against apple pie.

Further fuel has been added by South Africa itself, with its provocative military raids and the stepping up of what is seen in the U.S. as racist repression and police brutality. Mr Reagan has not helped himself by giving the impression in some of his public statements that his sympathies instinctively lie with the white minority.

the white minority.

The widely perceived failure of his policies to produce results has created a vacuum into which political forces have moved from the grass roots upwards — from universities, cities and states divesting their South African holdings, to a Congress with its eyes on the 1986 mid-term elections.

Administration officials have

1986 mid-term elections.

Administration officials have complained that it all has more to do with domestic politics than foreign policy. Sanctions, they say, will only harden Pretoria's resistance and hart black South Africans the most, if they work at all. The 1963 arms embargo only led South Africa to develop its own powerful arms industry; President Carter's Soviet grain embargo was an abject failure; and now, they say, the Europeans and Japanese are eagerly waiting to step into American companies' shoes. Japan, says a State Department official, has already increased its computer already increased its computer sales to Pretoria by 400 per cent in the last two years. cent in the last two years.

Above all, says the Administration, the U.S. should be trying to use its kinks with South Africa to influence events, not wash its hands of them. The aim should not be to reduce the country to the economic rubble of some of its African neighbours, but to foster a healthy economy in which political and social rights can begin to take root.

Whatever its menus, this is a losing argument in the cur-rent political climate. Even if sanctions are likely to have little immediate bite, their supporters believe they will be a sharp warning that American patience is finally running out —both with South Africa and with Mr Reagan's "construc-

Their hope is that, while publicly expressing its contempt for sanctions, a Pretoria that still cares about its international image will quietly hasten the process of change.

DIVESTMENT CAMPAIGN PUTS U.S. BOARDROOMS ON THE DEFENSIVE

ABUSE and moral outrage are regularly heaped in the heads of chairmen of large U.S. of the strength of the legislacorporations doing business in South Africa, and most of them have learned to live with it.

But a recently dispatched to the strength of the anti-apartheid groups, in the dispatch to the strength of the legislacorporations doing business in the strength of the legislacorporations had managed to capture and hold the high ground in the apart-theid groups, however, the strength of the strength of the legislacorporations had managed to capture and hold the high ground in the apart-theid groups, however, the strength of the legislacorporations had managed to capture and hold the high ground in the apart-theid groups, however, the strength of the legislacorporations are the strength of the legislacorporations are the strength of the legislacorporations are the strength of the legislacorporations and housing help, and finally, through by the anti-apartheid groups, union organisations, education and housing help, and finally, through by the anti-apartheid groups, union organisations, education and housing help, and finally, through by the anti-apartheid groups, union organisations, education and housing help, and finally, through by the anti-apartheid groups, union organisations, education and housing help, and finally, through by the anti-apartheid groups are the strength of th But a recently-dispatched letter has shaken even some of these hardened professionals to

It came from an inter-church

lored in the universities, and hit harassment of large investors in

It came from an inter-church group embracing virtually every large denomination in the U.S., and it accused the 12 top companies of being 'partners in apartheid, the abhorrent policy of racial oppression by the government of South Africa."

"We really find this high moralising tone quite offensive," protested one angry senior executive. "The notion that we are partners in the apartheid system is beginning to other states and many cities.

The withdrawal of 13 universal would cause more problems would cause more problems than it solved, intensifying the would cause more problems of the block population of the block population it was supposed to help. Peaceful evolution towards a important technology," says Mr fairer society could best be assured by staying and creating better working conditions for the blacks.

This strategy was codified in 1977 in the so-called Sullivan principles, named after a the view that U.S. investment in important to the South African. In principles, named after a the view that U.S. investment is the most would cause more problems would cause more problems than it solved, intensifying the than it solved, intensify

apartine system is beginning legislation is now pending in 25 philadelphia who is also a Africans. According to inglites to irritate the hell out of other states and many cities.

Both the letter and the resticularly among the unions, of posse illustrate the dramatic selective buying or boycott change in the argument over targeting some South African companies. These are already targeting some South African computer industry is controlled by American computer industry is targeting some South African. Suddenly companies also a Africans. According to righter the first and the resticular produced by the Investor. Motors. Signatories of Sullivan, Responsibility Research Centre, about 150 of the 300 companies around 70 per cent of the South African computer industry is controlled by American computer industry is true catalyst for change.

The programme, started by the Industry and 30 per cent of the unions of the industry and 30 per cent of the unions of the industry and 30 per cent of the unions of the industry and 30 per cent of the unions of the industry and 30 per cent of the unions of the industry and 30 per cent of the unions of the industry and 30 per cent of the unions of the industry and industry ind Campaigns. These are already has been an enormously enecU.S. corporate involvement in
South Africa. Suddenly companies are on the defensive,
assaulted by the churches, vilified by the trade unions, pil
A widening campaign of areas, then pushed on with the

encouragement of black trade

managed to change the grounds of the debate and to move on to the offensive.

This concerted attack has led to:

The withdrawal of 13 universities this year alone from investment in companies doing business in South Africa. In 1984, just four universities in Stituted similar policies.

The high ground in the aparthead groups, howeled a carefully reasoned, gradualist approach to change in South African regime. Withdrawal, they argued, would cause more problems than it solved, intensifying the deprivation of the block population it was supposed to help.

Peaceful evolution towards a important technology, "says Mr fairer society could best be Richard Knight, of the

the auto sector.

What is harder to estimate is how effective divestment would be against apartheld in

investment in the country has dropped appreciably — from \$2.6bn at the high point in 1981, to \$2.3bn in 1983—but this trend began with the slump in the South African economy, which, according to Commerce Departmade all the more tantalising more dispress has set appraise to because for most commerce in the slump in the slump in the south Africa is according to Commerce Departmade all the more tantalising the same for most commences is the same for most commences in 1982 and 1983.

purely financial decision. Per-kin-Elmer, for instance, a high-tech group whose recent withdrawal from the market was presented-as a triumph by the anti-apartheid groups, says that it went because its operations were unprofitable. "We were suffering from the strong dollar and low volumes," the company

says.

The divestment campaign

the absence of a concerted however, has clearly scored by international agreement to put changing the views of induspressure on the South African regime.

however, has clearly scored by changing the views of industrialists on South African investment to one of extreme

regime.

It is equally unclear how effective the stepped-up divestment campaign has proved so far. It is true that U.S. direct and Coca-Cola are seen by many

mnet figures, has cut average return on investment for U.S. companies from a high point of 31 per cent in 1980 to 7 per cent of assets for the average U.S.

In this economic environment, those companies that have left South Africa tend to present their disinvestment as a for example, says that South cent of its total sales (\$46bn in 1984), while Citicorp, the Jargest of the U.S. banks in the quarters of a percentage point of its assets lent to South African interests.

Terry Dodsworth in New York

Computer 7

Ouotations 4

Macdougall wants to wait and see

"I'm one of those who want to sit back and see what hap pens in the City revolution. Let the other people be the guinea pigs. There will be plenty of opportunities later on."

Time will tell whether Patrick Macdougall's wait-and-see approach is right. In October he becomes chief executive of Standard Chartered Merchant Bank, and as such the man who will steer the bank through the

brave new world shaping up in the City. Standard Chartered is one of the few banks that has not bought a stockbroker or jobber —a policy which challenges City orthodoxy but certainly looks wise in the wake of last week's mass defection from Wedd Durlacher, which Barclays Bank is buying.
"I can't believe that there

is going to be any money in market-making to start with," said Macdougall. "But then said mactiongail. But then there will be drop-outs, and a second wave of opportunity." Macdougall, who was speak-ing to me from holiday in Connecticut, comes to Standard Chartered with an eye-catching string of credentials. He qualified both as a barrister and chartered accountant, and has worked at Hambros and Rothschilds. Since 1978 he has been a director of Jardine Matheson in Hors Kong in charge of in Hong Kong in charge of their U.S. oil and gas business, He is 46.

Burgh's timetable Sir John Burgh, aged 59, who has been appointed next chairman of the court of governors of the London School of Economics, faces a crowded timetable on taking up his new academic role in Decamber. He will replace Sir Huw Wheldon who is retiring.

for a restoration of the savings imposed on the Council this year and for an additional £2m for each of the next three years should therefore be treated positively by the Government. It represents a drop in the ocean for the Treasury, but could make a noticeable difference to Britain's prestige abroad.

Will replace Sir Huw Wheldon who is retiring.

Sir John remains full-time director general of the British Council until he retires in two years time. That job involves the council of the Policy Studies listitute, and secretary of the National Opera Co-ordinating years time. That job involves up to three months foreign travel each year. He is also on the council of the Policy Studies Institute, and secretary of the National Opera Co-ordinating

"They are working hard to get jobs nowadays."

Diplomatic drive

Passers-by in the southern Polish city of Krakow were in the was clearly in for a big hill.

Men and Matters



The Chancellor wants to know how many pop concerts it would take to reduce income tax by next April"

A former LSE student him-A former LSE student him-self, he regards his time at the college as the formative period of his life. He was president of the union in 1949 before starting a career in the civil service where he became a deputy secretary in the Department of

Trade.

"Before accepting the LSE chairmanship I worked out in some detail with Dr Patel (the LSE director) what would be required of me to ensure I would be in Britain when needed." he says.

In turbulent student times the chairman has to act as the the chairman has to act as the judge of last resort in sorting out college problems, Sir John says he does not expect that role to be an onerous one. "They are working hard to get jobs nowadays."

bemused the other day to see a British embassy car perched on the pavement with all four tyres missing.

The reason for the limousine's undignified state was that the tyres had been slashed overnight by people known politely in diplomatic circles as, "culprits unknown." It is a euphemism which are the control of the con everyone seems to identify with that shadowy arm of officialdom dedicated to carrydeemed worthy of attention. ing out dirty tricks on those This time the victim was Alan Furness, number two at the

British embassy, and his wife. Before leaving Poland for another posting they were mak-ing a farewell tour of Roman Catholic friends Their attendance at a dissident "mass for the fatherland"

at a Krakow church may have prompted the unfriendly gesture. But the uniformed policema who took details of the inci-dent did try to make up for the unpleasantness by wishing them a happy stay in the city.

Taxing times

Rage, bewilderment, evasive-ness — they seem to be the feelings engendered in succes-sive generations of citizens when faced with an income tax demand.

New evidence has come to light that nothing has changed since prime minister Pitt first raised such emotions in Englishmen by introducing income tax in 1798.

In that year, Charles Townley (whose collection of antiquities is in the British Museum) was startled to find himself liable

and the supplied the continue of the distribution of the supplied of the suppl

The Townley Papers, to be auc tioned by Sotheby's next week, include his attempts to fill in one of the first tax demand forms. It is even more than the 1985 version.
When Townley turns for help to his agent he finds no support for some ingenious ideas for cutting his liability.

The agent replies that he can-The agent replies that he cannot alter the figures in the tax
return because, "I must stick
to what I think is right."
Townley would be pleased to
know that his papers are expected to fetch more than £80,000 at auction.

Last frontier

High technology is advancing into some rather grisly areas. Dr Duncan Davies, a former ICI and Department of Industry scientist, is busily promoting nectrotechnology—the application of technology to the busi-ness of death. Davies has been inspired by the success of a small British biotechnology company called Marlborough Chemicals on Tees-

side.
Mariborough is using bugs biotechnology—to make plastics which rot away rapidly in a moist environment. It is a bit expensive for plastic beer bottles but bearable for some surgical uses. Now Mark-borough is selling it to some countries to make biodegradable coffins and shrouds.

Davies is taking what he calls "constructive enzymic diges-tion" a step further in California. He has an interest

in a start-up biotechnology venture on contract to Forest Lawn, the famous cemetery.

Just too late One of the highlights of the American Bar Association's current visit to London will be an excursion to Runnymede. An earlier American visitor arrived there and asked, "Is this where Magna Carta was signed." "Yes," he was told. "When was it?" "Item Type Type inst missed it?"

"Gee, I've just missed it."

Observer

"Soft! Idid but dream"

William Shakespeare RICHARD HI

"I too, did dream" SMILED OUR CLIENT. "Today that dream has come true. Every one of our managers is working at a PC with the freedom to exchange data with our mainframe. Business efficiency has soared!"

West Surrey Computers and our mainframe colleagues at Computer Marketing are the acknowledged authority on IBM "Micro to Mainframe" communications. We offer total solutions, in-depth training and expert technical

If you, too, are looking for an answer to your dreams start by reading our case histories. Post the coupon or call Martine Mott or Hugh Finnis on 04867-4555 - preferably during waking hours!

CMA House, Lansbury Estate, Lower Guildford Road, Knaphill, Woking Surrey GU21 2EW Telephone: 04867 4555 A DIVISION OF COMPUTER MARKETING ASSOCIATES LTD.

Attach to card or letterhead.

I need information on MICRO-MAINFRAME COMMUNICATIONS POSITION_

TIME may finally be running out for the craft print union, the National Graphical Association, in the British newspaper indus-

After decades of dictating its terms for the introduction of new technology the NGA has, over the past six months, seen start to slip from its control

The competitive threat presented by the single-union newspaper deals of the aggressively moderate and technology-conscious electricians union, the EETFU, is only the most dramatic recent example of how radically the rules are changing. The combination of technological, political and legal change has been unkind to the settled ways of all closed shopbased craft unions in recent years but none has more at stake than the NGA.

Its national strategy is now damage limitation. "After several false starts the retreat from Moscow has really begin," as one newspaper industrial relations director puts it.

What are these new pressures on the NGA? • It was bad enough that the

But the latest news of his single-union/no strike deal with the EETFU for the paper could

in time usher in a serious challenge to the NGA through-out the printing industry. The EETPU, which repre-sents only a handful of electricians on provincial and national papers, has been planning the move into news-

ENSIVE

amortinate.

the second section

أجود

frin fix

in Air

(... `

فتعطينا والمراجع

The state of the state of

 $\varphi_{2}(s)^{2/2\delta}$

12 V

papers for some time.

The new electronic and computer-based technology suits it down to the ground—with its high-tech image, skill training centres, readiness to support maximum flexibility and to recruit on a general union basis. The NGA, on the other band. has been the monopoly supplier of a small and now declining set of skills. And while the print union boasts of its industrial muscle and craft solidarity it is the moderate, consensual, ideology of the EETPU which is probably more in tune with the mobile, white-collar multi-skilled, print labour force of the future.

pling for years with the strong. It is competitive thrust may force concessions space, and done by a secretary out of the Fleet Street NGA for £8,500." They are now starting to turn thought into deed. Assuming Mr Shah's paper for a job that could be combined does not flop, its competitive with, say, selling advertising out of the Fleet Street NGA and may encourage other news and may encourage other news national or provincial papers.

In Fleet Street itself the street itself the several papers now starting to turn flouds.

Assuming Mr Shah's paper for a job that could be combined with, say, selling advertising in protest against the transfer against the transfer as sense they are a sign of the not use the follow the job of three NGA members into destination in the editorial.

Although it was not the NUJ that we will a sense they are a sign of the not use the follow the job of three NGA members into destination in the editorial to the transfer or malising what has always prevalent to technological change or determined to turn thought into does not flop, its competitive with, say, selling advertising in protest against the transfer as sense they are a sign of the not use the follow the job of three NGA members into deditorial.

Although it was not viously been the case, that the transferes to join the NUJ that we will a sense they are a sign of the not use the follow the job of three NGA members into deditorial.

Although it was not viously been the case, that the transferes to join the NUJ that we will a sense they are a sign of the not use the follow the job of three NGA's weakness, merely for malising what has always prevent or ganisation in the editorial to the transfer or malising what has always prevent as a platform for was not used to the NUJ that we will a sense they are a sign of the NGA's weakness, merely for malising what has always prevent or sense they are a sign of the NGA's weakness, merely for malising what has always prevent or malising what has

Britain's newspaper industry

All change for a proud union

- By David Goodhart



Eric Hammond (left) with Tany Dubbins and Eddle Shah

in the shadow of the Shah

Mr Rupert Murdoch's News old enemy Mr Eddie Shah is set to start printing a national newspaper next year outside London without recognising the the EETPU about its own single union deal.

union deal.

Two megium-sized provincial paper groups have now successfully introduced the "electronic newsroom" without NGA agreement, and a third has just shelved detailed plans to do so, having forced significant concessions. sions from the union.

Direct input or single-keyboarding — journalists and advertising staff sending copy straight to computerised typesetting and by-passing the traditional composing room—is the historic issue for the NGA. The union has for several years accepted its inevitability but struggled to soften the impact of the potential loss of over half its 12 000 a president present its 13,000 provincial press members (out of an industry total of 43,000 employees) when the systems are fully intro-

The harsh reality is that the computer has deskilled the NGA compositor and thus reduced his market power. future.

The electricians may not succeed in muscling in very far, but the attractions to some employers who have been grappling for years with the NGA must be strong.

The electricians may not succeed in muscling in very far, but \$4 an hour to input copy since its 144 NGA members went into its interpolation in April. Employers have long been thinking "why must be strong."

The electricians may not succeed in muscling in very far, but a second in the paying young been paying young the paying young strong At the Kent Messenger, for example, the management has

moves to new plants in the East End of London are expecting to the best possible terms now, squeeze far greater concessions Hence its rejection last year of the provincial employers plans for a new technology enabling agreement and pro-crastination in the long negotiations with the few companies ready to use the technology. Last February, however, the Wolverhampton Express and Star finally lost patience with the union's insistence on its own terms and locked out NGA members who would not cooperate with the new systems.

A few week later the Kent Messenger took similar action. The Portsmouth and Sunderland group has just won agreement for its tough terms for direct input. The Birmingham Post and Mail is still in the balance. Now every paper that breaks out of the established system makes it earsier for those that follow.

Even before the EETPU

bombshell the NGA had been facing increasingly bitter opposition from both the other print unions—the NUJ and Sogat '82 to its follow the job survival strategy.
The NGA argues that because

technology shifts the "key-stroke" from their members in the composing room to the editorial and advertising departments they should be allowed to "follow the job" in limited numbers into those departments and manipulate the departments and remain in the A probably dominant faction the NUJ—led by Mr Jake

the NGA is the fact that Sogat, are making it pretty clear that proposed paper. There is no which represents people in it is only a breathing space and distribution, advertising and they too are now deadly serious clerical departments, has about going over to direct input shifted its position to one of at their most advanced centres.

Outright hostility to the NGA's Mr Tony Dubbins general transfer ambitions. It has been secretary of the NGA, is the large of the NGA colour printing transfer ambitions are not provided to the NGA colour printing the NGA keen, for example, to negotiate with both Mr Shah and News

last year. At that point the union had successfully seen off the national talks and had just concluded the Portsmouth transset a trend through the industry. Four months later the NGA had "lost" Wolverhampton and Kent, had witnessed the four month Portsmouth NUJ strike over transfer, and was in danger of sequestration of its assets arising from a contempt of court case brought by the

Express and Star. There has been some re-cuperation from that low point. Sequestration has been avoided and the NGA leadership has had the psychological boost of winning a one-year "good behaviour" agreement on tech-nology from the big four—West-minster Press, the Northcliffe Group, United Newspapers and Thomson Regional Newspapers.

Because of their size and vul-nerability to the NGA they have taken a more cautious approach to new technology than some of

Mr Tony Dubbins general secretary of the NGA, is the man who has to lead the union through this potentially tran-

the EETPU.

All of these factors highlight the severe decline in the
NGA's fortunes from the end of

All of these factors highlight the severe decline in the
NGA's fortunes from the end of

All of these factors highlight the severe decline in the
ON the believes, employers

ON the believes cheef.

on the balance sheet. However his recent inflexibility over the terms for its introduction has made some people wonder whether the wilv pragmatism for which the NGA was once famed may not have deserted it in its hour of need.
At least in public Mr Dubbins is still talking tough. He even

is still talking tough. He even implicitly contemplates the destruction of the NGA in newspapers before conceding: "We need continually to remind ourselves that of the NGA's 100,000 working members no more than 20,000 work in newspapers. If everyone of them disappeared the NGA would still be 80,000 strong."

Judging by deeds not words

Judging by deeds not words however, the pressure of recent events does finally appear to be forcing some significant retreats on, for example, the insistence on the closed shop in editorial when direct input is introduced. Even job transfer ambitions are in the NUJ—led by Mr Jake
Ecclestone—sees that strategy as NGA "imperialism" and helped to sustain an 18-week strike at the Portsmouth News in protest against the transfer of three NGA members into MGA's weakness, merely formalising what has always predicted as a platform for organisation in the editorial area."

The NUJ—led by Mr Jake

to new technology than some of a view to mending fences with the NUJ, Mr Dubbins says: "We have, these agreements should be seen in perspective. In a sense they are a sign of the principle as a platform for organisation in the editorial area." being scaled down a little. With a view to mending fences with

experts.

with both Mr Shah and News International on the basis of MGA exclusion deals, and may even consider joint deals with the EETPU.

All of these factors highthe new-tech environment.

"We have been changing as a union for 10 years to take account of these develop-ments," insists Mr Dubbins. He points to the fact that 50 per cent of new NGA membership now comes through recruitment in non-union establishments rather than the apprenticeship.

The change may yet prove to be too little too late. And the acceptance of lower pay and a veto on NGA collective bar-gaining in the "transfer" departments on many news-papers may also prove too bitter a pill to swallow. While Mr Dubbins would

probably prefer to negotiate through that too, the ruling national council which has been shifting to the left may tie his

One reason for that is the feared knock-on effect into the NGA heartland in general print-ing. Industrial relations here have generally been quieter, and the union's muscle less, partly because customers can, and do, take their work abroad if the price is not right.

Lombard

A question of liability

By John Plender

Britain's banking system. Elsewhere it is increasingly under-threat. On the Stock Exchange unlimited liability is shortly expected to become optional; the Stock Exchange Council is anxious to limit claims on the exchange's compensation fund before the introduction of negotiated commissions in 1986. In the Lloyd's insurance market outside members (or Names) are challenging the principle in the face of opposition from the market authorities. Leading accounting firms, in and out of Britain, are simultaneously seeking to limit their liabilities. as insurers refuse to grant full professional indemnity cover in the light of spiralling claims against auditors.

Is this an overdue retreat from an anachronistic vestige of 19th century business practice? Or is it a cynical attempt to hang on to the rewards of conducting financial business while shifting the risks from owners to creditors and from insurers to policyholders?
Whatever the answer, it is questionable whether the discipline of unlimited liability, whose survival was presumably intended to reassure clients and intended to reassure clients and

inhibit reckless trading, con-tinues to work effectively in the last quarter of the 20th century. At Lloyd's, for example it is hard to believe that the security which policyholders are said to derive from the supposed readiness of names to stake every-thing down to the last cufflink is any longer of crucial import-ance in maintaining confidence in the market. Liability is in practice limited through stoploss policies and other reinsur-ance; and the discipline, howance; and the discipline, however harshly it threatens to impinge on outside names, has manifestly failed to prevent overtrading by professionals in the market — as has the regulatory structure provided by Lloyd's itself. Names in the former PCW syndicates could be excused for thinking that unlimited liability appears increasingly to be invoked in the wake of fraud and blatant regulatory of fraud and blatant regulatory failure. In these circumstances the market authorities at Lloyd's impose the ultimate sanction of bankruptcy at their peril.

THE PRINCIPLE of unlimited statutory requirement. Yet part-liability is, for all practical pur-poses, a thing of the past in ingly cumbersome form of ownership for the blg firms, which have long since turned themselves into loose multiincreasingly diversifying away from their basic audit business. There is, moreover, a certain oddity in these guardians of business accountability being exempted from the requirement to disclose the state of their

own finances.

The natural life of partnership and the Lloyd's syndicate has, in fact, been over-extended has, in fact, been over-extended by tax privilege and freedom from disclosure. The result has not only been to limit account-ability, but to inhibit the intro-

aution of fresh capital.

At Lloyd's the general issue of unlimited liability is perhaps less important than the specific need for the market authorities need for the market authorities to acknowledge their responsi-bilities to the victims of inept self-regulation. But elsewhere realism dictates a shift towards forms of ownership that permit adequate capitalisation in a period of escalating risk in fin-

ancial markets.

In the new conglomerate City there would be little sense in encouraging the reintroduction of unlimited liability into banking through the banks' new broking and market making subsidiaries. The more complex question is how far, if at all, some limitation of liability should be permitted for auditors. With the Government itself seeking redress against the auditors of Johnson Matthey Bankers and De Lorean the big Bankers and De Lorean the big firms are unlikely to receive a sympathetic hearing for pleas to put a cap on their exposure: and full incorporation does not provide full protection for any-one. Indeed the professional indemnity insurance market is

lem. What is needed is for the issue of auditors' liability to be properly tested in the courts, instead of being fudged through continual out-of-court settlements. That is something the As for the accounting firms, government is now in a position unlimited liability remains a to bring about.

And the second Liability for unsafe goods

From the Director-General,

Confederation of British
Industry
Sir.—I understand that the
House of Commons is shortly to
debate the issue of liability for defective products. The CBI welcomes this debate, at a moment when the UK Govern-ment, along with its EEC partners, seems to be on the point of agreeing to a compromise directive which will seriously damage the interests of Euro-

pean industry.

I should make clear that responsible manufacturers want to put only safe goods on the market and have no wish to evade responsibility where they are proved to have been at fault. The CBI accordingly gave posi-tive support to the Govern-ment's White Paper of last year which proposed a general duty on business to supply goods which are safe according to sound modern standards. Failure to do so would expose a firm to criminal and civil

The CBI asks the Government to adhere to the same prin-ciples in the European context. Thus, it is essential that the EEC directive should enshrine, without derogation, a develop-ment risk defeace—ie, that the producer should not be liable if a defect in his product could not have been discovered in the light of the scientific and technological knowledge at the time when he put the product on the

What is objectionable about the current compromise is that, while providing for a development risk defence, at the same time it permits any member state to disallow that defence. Moreover, after what is in effect a trial period of 10 years, the member states may agree to remove the defence altogether and, by the terms of the review procedure, are clearly invited

In its present form, the compromise fails on two counts: it will not achieve harmonisation of laws, the original purpose of of laws, the original purpose of the draft directive, and will be directly contrary to the UK Government's policy objectives, outlined in 1980, of a common regime embodying a development risk defence. Industry will thus be exposed to precisely that degree of liability in some EEC markets which the some EEC markets which the Government had declared to be unacceptable. Nor would consumers benefit since although liability would be unlimited the insurance cover available to producers would certainly not.
It would be extraordinary if
this "tree-for-all" were to be

the final outcome of five years of negotiation in Brussels. At a time when the Government is taking positive action to relieve industry of unnecessary burdens, we cannot understand

Letters to the Editor

uncertainties with little perceptible benefit in return. It is not too late to think again and we urge the Government to do so in the interests of sustain-ing industrial competitiveness. (Sir) Terence Beckett. 103 New Oxford Street, W1.

The profligacy of state borrowing

From the Honorary Secretary, Economic Research Council Sir—Lord Killearn (July 8) is right to ask why when goverments borrow from the banking system they "acquire an addi-tional interest charge in the process." Governments raise money for their expenditure through (a) taxation and (b) genuine savings. Any additional expenditure has to be met through borrowing from the banking system at the current

rate of interest.

As a result, an increase in the national debt and consequently in the interest charges which the Government has to which the Government has to meet are also increased. If this debt burden continues to increase at present rates, the time will come when all taxable income will be required to meet the interest costs. the interest costs.

the interest costs.

Historically, the issue of all forms of money was the prepagative of the state. It is time we re-examine the present monetary system and adopted a more realistic and scientific system based on real wealth. Edward Holloway,

Nails for 'efficiency' theorists' coffins

From Mr J. D. Cornford Sir,—I suppose we should be grateful for the space you allow to debate what some may think to be the purely metaphysical (OED "Fanciful conceits; far-fetched imagery") but as Barry Riley's article (July 6) shows, there is much material to make nails for the coffin of the effi-cient marketers, not least evidence that the market for equities is as other markets; governed by supply and demand, fuelled by fluctuating opinions about the desirability or otherwise of owning the goods on offer. There is cer-tainly no "efficiency" in any economic sense involved.

I am quite sure some elec-tronics analysis were reading the signs earlier, or even point-ing out the risks while all seemed blue skies, but I'm why it should add yet more equally sure they were out-

weighed by the majority for a time. Would the EM theorists say the latter were no less well informed than the former? Or perhaps they would agree that the majority were just less prudent in their approach to risk. But different levels of prudence would lead to different prices being paid for the same "competently analysed informa-tion" and cannot therefore be

admitted by efficient mar-

The electronics experience is the electronics experience is but one, highlighting whether research to cope with what is undoubtedly a risky industry is adequate. No anti-efficient marketer would disagree that the risk arising from severe demand fluctuations in a company of the business of the control of t demand fluctuations in a com-pany's market is perhaps the most difficult one to forecast, and where developments might genuinely be called "news" (though people in the industry might disagree about that). However, there have been other cases where, without having to guess market demand class to guess market demand, clues to the future could be discerned in the balance sheets of subsi-diaries or trading partners well before "news" hit the efficient marketers.

If it is metaphysical, debate about the EMT is only so because, as in religion, the sceptic will never be convinced that anything happens other than by chance. Mr Coulson's monkey (July 2) sitting next to the casino tables, could not tell the difference between the course of the casino tables, could not tell the difference between the course of the casino tables. the difference between one man spinning a roulette wheel, and another tapping out King Lear on a daisy wheel. Only someone who had tried to write a couplet would know that. J. D. Cornford.

Lynwick Street, Rudgwick, Horsham, W Susser. A free market in

conveyancing From the chairman, National Association of Conveyancers. Sir,—May I venture to suggest that Professor Farrand's muted fear of building societies and banks having a "de facto monopoly" in conveyancing (July 9) might be allayed if close consideration is given to the practicalities involved. As a principle activist in the mammoth task of fighting against the solicitors' claim to mono-poly over the past 13 years I have a degree of scepticism towards any concept of lasting change that emanates from sources other than the grass-roots. In this instance two main

obstacles arise.

First, there is the problem of

money lender's conveyancing departments. Not only would this have to be done from a very limited group of solicitors but a heavy subsidy from pro-fitable sectors would be essen-tial until the conveyancing sys-tem itself is reformed by Parliament Such financial subterfuge is likely to be quashed under the Government's conflict of interest controls and meaningful reforms are going to be re-sisted tooth and nail for so long as solicitors are a major force in conveyancing anyway.

Secondly, the strength of con-sumers' capacity to withstand any erosion of their rights to freedom of choice nowadays is formidable. Hundreds of home buyers have consistently resis ted all manner of devious pres sure from powerful institutions which, believing that might is right, seem to engulf their transactions. They have won through because of an over-riding preference for indepen-dent advice and a determination not to be patronised.

Despite the awesome threat of big brother bodies dominating the conveyancing world, i remain convinced that, provi ded the Government lays firm foundation for fair and honest competition at the outset, there cannot really be a valid argument for restricting conveyancing services solely to solicitors licensed conveyancers and DIX people. The giants will, in my opinion, soon lose their one-stop-shop appeal as home-buyers find that genuine low cost independent professional conveyancers give a personal service that cannot be surpassed.

David Ashford, 2-4 Chichester Rents, Chancery Lane, WC2.

Handwriting key to recruitment

From the managing director, Executive Search Sir,—I would go further than Brian Groom or Mr J. J. Q. Fox (Letters, July 8) and recom-mend that no young executive should set out on a career without the benefit of a psycho-logical or other test to guide

his choice. Employers, too, would find tests of great value in selecting graduate trainees. There are, however, two disadvantages to psychological test-ing when recruiting more mature executives: the time a candidate must spend to be tested and the cost to the employer on top of the already high fees charged by many search consultants.

My company has used graphological reports for nearly 20 years. The necessary samples are easily obtained, the cost is reasonable and the analysis can be most informative to both client and candidate alike. We have thereby avoided many wrong appointments.

recruitment required to fill the | 8a Symons Street, SW3.

100% payment at time of shipment of ECGD

A totally undisclosed and off-balance sheet facility.

Comprehensive protection against foreign exchange risks.

> Terminals available to facilitate direct input to. and output from, the Exfinco computer centre.

British exporters A major boost for

A unique service for companies that hold, or who are prepared to take out an ECGD Comprehensive Short-Term Insurance Policy Exfinco converts export credit transactions to cash sales and enables exporters to invoice foreign buyers in their currencies without risk. Exfinco is owned by major institutional

shareholders. It has substantial funds available to assist exporters of all sizes.

THE EXPORT FINANCE COMPANY LIMITED Head Office. Extinco House, Sanford Street, Swindon SN 100. Tel: 10793) 616333. Telex: 444344. on Office: Plantation House, 5-8 Mincing Lane, London EC3M 3DX. Tel: (D1) 626 9631, Telex: 444344,

| L | _\\ |
|---|---|
| I | To: The Export Finance Company Limited Exfinco House, Sanford Street, Swindon SN1 1QQ. |
| 1 | Please send me full details of the EXFINCO service. |
| ł | Name |
| ł | Position |
| l | Company |
| ļ | Address |
| ļ | |

FINANCIAL TIMES

Tuesday July 16 1985

Shocked at the cost of running your company
cars? As the UK's market leaders in
Fleet Managment we offer more
cost savings than any
other company.
We keep bunness mounts
TEL: 061-236 9832

U.S. PRESIDENT DISPLAYS GREAT RESILIENCE

Reagan recovering 'superbly'

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

thesda Naval Hospital, the White House said yesterday.

As Mr Reagan dozed after a rest-

ful night, his doctors said that they were "running out of superlatives" comfort when he got out of bed, Mr to describe his resilient condition. It Speakes said. As an "upbeat, optiwas confirmed that he would return to the White House within five to pared for any eventuality. eight days for a period of convales-

The results of a biopsy on the due later yesterday, a few hours later than originally expected. Mr Larry Speakes, the White House spokesman, said that Mr Reagan more later yesterday to review Mr would take time to discuss the re-sults with his wife, Nancy, and his White House staff before they were announced publicly.

While the test should provide some indications of Mr Reagan's longer term health outlook, his doctors have said that even if cancer is found there should be no need of immediate new therapy, or further surgery. Saturday's three-hour op-eration would probably be "curative

PRESIDENT Ronald Regan continued to recover "superbly" from Saturday's major surgery as he awaited the results of a cancer test in Be
Mr Reagan, who stayed up until after midnight on Sunday finishing a Western novel – to "see if the butler did it", as he told a nurse - was mistic person," he was well pre-

In his latest bulletin, Mr Speakes said that the President's vital signs were in the normal range, the same five-centimetre growth removed as those of a person who had not from Mr Reagan's intestine were had surgery. His temperature was due later yesterday, a few hours lat-

meet later yesterday to review Mr Reagan's schedule for the next three to four weeks, in which he is expected to undertake only light du-ties. Mr Speakes confirmed, however, that Mr Reagan still planned to meet President Li Xiannian of China, who will be visiting next

With the summer holidays fast approaching, Mr Reagan already



Mr Ronald Reagan

any case, expected to relaunch his campaign for major tax reforms un-

Nevertheless, he will be obliged to delegate more decisions, further increasing the power of Mr Donald Regen, his Chief of Staff, who is acting as the linkman between the White House and the presidential bedside in suburban Washington. faced a relatively low workload in the unexpected operation is the the coming weeks. He was not, in third in a series of unforeseen

events that have side-tracked Mr Reagan from the duties of office in recent months, following the furore over his visit to the Bitburg war cemetery in April and May, and last month's 17-day Beirut hostage crisis. For the last three days, his operation has wiped virtually all other news from the nation's TV screens.

Mr Reagan's apparently cheerful submission to the surgeon's knife was expected to lead to a new wave of public sympathy comparable to that which followed his survival of the assassination attempt in March 1981, when his popularity rating jumped 11 percentage points in one day. Most Americans, however, while anxious about the President's condition, were going about their business as usual yesterday.

As for Mr Reagan himself, by yesterday morning he had put down his Western novel, Jubal Sackett, by Louis L'Amour, one of his favourite authors, and was nodding over Return To These Hills, by Calvin Coolidge, one of his favourite Presidents. Mr Speakes said that Jubal Sackett was currently num-

ministers still in deadlock on cereals By Ivo Dawnay in Brussels

EEC farm

EEC FARM MINISTERS yesterday began their ninth consecutive attempt to agree a reduction in Community cereals prices in an atmos-phere of widespread pessimism.

After an initial round of bilateral discussions, M Marc Fiscsbach, the Linxembourg minister newly installed as president of the Farm Council, looked no nearer a break-through than his Italian predeces-

on the refusal of Herr Ignaz Kiechle, the German minister, to sanction any real reduction in his grains farmers' incomes. Efforts by Mr Frans Andriessen, the Farm Commissioner, last weekend to find

Failure to reach a deal today will mean that the Commission's decision to push ahead with a 1.8 per cent price cut - acceptable to all but Germany - will be carried through when the new marketing year be-

Although Bonn has vetoed this move, the Commission claims it is legally obliged to manage the mar-kets in the absence of a ministerial decision. The price cut is already officially in force for oilseed rape, whose season began on July 1.

Some observers believed yester day that Germany might agree to be overruled in a vote if certain conessions lessening the impact of the price cut were agreed. But this was later denied by officials.

Mr Michael Jopling, the UK minister, told reporters only a few hours after the meeting began that many of his colleagues had already "accepted the inevitable" that no deal could be done at the current

The Ministers also began considering a discussion prepared by the European Commission on reform of the CAP. The most noteworthy adjustment to the original version is in presentation, where there has been a marked softening of the combative tone of the original De-tails, Page 2

Tight corner for the Fed As signs of a flagging real economy accumulate in the U.S. the pres-UK INTERBANK sures on Federal Reserve policy seem to multiply. If the latest news of falling inventories is any clue, Thursday's second-quarter GNP es-timate will be fairly depressing: yet the M1 measure of money is growing rapidly and the dollar has re-cently been on the slide. Mr Volck-er's chronic difficulty, to be faced 3 mth Sterling interest rates yet again in his congressional testi-

The most pressing technical difficulty at present is that MI cannot be brought anywhere near its tar-get without implausibly savage interest rate increases - out of the question unless the Fed is prepared to be made the scapegoat for reces-sion. The overshoot can be to some extent explained by falling velocity in the first two quarters - and it may be that Mr Volcker will just fall back on dismissive remarks. But it is possible that the Fed has decided to raise the target range or,

mony this week, is to reconcile con-flicting demands for sound money

and a reassuring level of activity; this time it will be exceptionally dif-

as in 1982, to rebase the figures. Lifting the ceiling would be discouraging to bond investors, though it could be justified on the view that money growth has been concentrated in savings accounts - less likely than traditional deposits to fuel consumption. The rebasing option, perhaps more likely, could be defended on the more worrying grounds that velocity has been falling chiefly because previous monetary relaxation has been feeding into imports.

That is probably the nub of the problem. There is all sorts of evilence that while easier credit has IBM helped the service side of the U.S. economy to bloom, it has done little or nothing for manufacturing, where employment continues to decline, and output is still being pulled back. Faith in a recovery later in the year seems to assume that a further dose of the same medicine will have more effect - through a bounce in housing and in the auto industry. It is perhaps most likely to do so if the dollar continues to slide; the monetarist prescription of interest rate cuts has most chance of working if imports are choked off by a depreciating currency.

Base rates

England's point of view yesterday gets and are reluctant to believe in an integrated exchange

earnings this year above last year's EURO *

THE LEX COLUMN

morning, the discount market was

already beginning to scent a further half-point cut in base rates. The

Bank's opinion seemed to be that

enough was enough. It took out the money market shortage in dribs

and drabs, and it failed to offer the

repurchase facility which the dis-

count houses had been hoping for.

the next Opec meeting and this

week's economy data from the U.S.

looks most unlikely there is every possibility of a reduction either at the end of this month or early next.

The pound held up well to yester-

in rates before long. Moreover, if

the earliest indications are correct,

Certainly the Government Broker

was in no rush yesterday to replace

his exhausted tap.

But, while a further cut before

\$10.776n, at least at current ex-change rates the second half should make up first half translation

IBM was sensitive enough to remind the world that it is financially sound - which hardly seemed ne-cessary, despite the drain in its cash resources from two poor quarters. The best news yesterday was the bringing forward of deliveries of the new 3090 series to the current quarter from November: sales of the 308x have been drying up in the U.S., if not in Europe, in the last two months in expectation. Though IBM may have lost a little of its credibility in the past six months, it does not have to do much more to so for this year the removal of di-rect exposure to satellite losses and the move into long-distance data transmission with MCI are a reminder that IBM is not musclebound by size.

Montedison

London's ambition to become a clearing house of European equities looks less and less far-fetched. In the past few weeks London's stockbrokers have placed substantial quantities of stock in a Spanish day's move by the clearers and the signs are that other European coun-tries will be looking for a reduction telephone utility, a French volume car manufacturer and a diversified Italian chemicals group. The Italian job – for Montedison – is the most intriguing of them all.

the next set of money supply num-bers could make pleasant reading. The argument most commonly advanced against the idea of a European securities exchange is that trading practices and institutional structures are simply too diverse to be harmonised. Italy is often held up as the supremely idiosyncratic The news from Armonk has been market which could not be harmogenerally bad this year so yester-day's message on IBM's secondnised with anything. Yet it is the oddness of the Italian market which quarter performance, which has encouraged Montedison to dishowed earnings down just 13 per versity its shareholders' register. cent to \$1.41bn, was a source of Roughly a third of the group's issusome encouragement. Having ed equity has been placed by insti-pulled the entire market down with tutions in London and New York its gloomy forecast in the middle of apparently as a way of weakening June, IBM has doine much to redeem its stock by showing its old cised by a single shareholder.

Edical eq

me for Fr

capacity for loss-elimination and in-itiative by taking a stake in MCI. Meanwhile, the foreign exchange markets have done their bit for the markets have done their bit for the group's equity around Europe and presumably have a highly satisfied client. If foreign markets can be translation of IBM subsidiaries this quarter's earnings. If some bro- ed interests at bome, there is no By the time the London clearing kerage houses are still peeved at telling how many European compabanks came round to the Bank of IBM's failure to meet its earlier tarnies would subscribe to the idea of

UK broker a key in **Montedison** placing

By Alan Friedman in Milan

OUILTER Goodison and Company, the London stockbroker which is headed by Sir Nicholas Goodison. chairman of the London Stock Exchange, played a key role in the placing of a block of shares in Montedison, the leading Italian chemicals group which is now onethird owned by a diverse group of U.S. and British investors. (S34.7m) of handled around £25m (S34.7m) of the transfer of shares, which were previously held by Italian banks.

The total amount of Montedison shares placed either in the UK or via UK stockbrokers was about 10 per cent of Montedison, representing more than £75m

The rest of the third of Montedison was placed with U.S. investors including an unidentified U.S. nnany which rently in talks with the Italian chemicals company over a merger with Montedison's special chemicals division.

The planned merger is likely to involve the new Dutch-registered concern set up following the merger two weeks ago of Montedison's Ausimont chemicals subsidiary and Compo Industries of Delaware. Montedison controls 86.5 per cent of the Dutch holding company, which will be quoted on the American

Quilter's business represented around 3.5 per cent of Montedison's total share capital. Most of the Quilter buying appears to have been for UK and continental European fundmanagers. Mr Adrian Cowell, Quilter's partner in charge of interna-tional business, said yesterday that a significant portion of the shares were placed through London for institutions in France, West Germany, Switzerland, Austria and

Mr Cowell said he did not believe there was a concerted group of investors - it has already been learned in Milan that the goal of the Anglo-American share placing, which cost investors between 5250m and \$300m in all, was to fragment the group's share structure in order to avoid interference in Italy.

Meanwhile, in Italy, a Communist party Deputy has called for a parliamentary inquiry into the identity of overseas Montedison shareholders. The transfer of Montedison shares out of Italy, which took place over a three-week period in late May and early June. was co-ordinated in great secrecy

by Mediobanca, the merchant bank In Italian terms, the share transfer is already being seen as an attempt by Montedison to break away from the influence of Gemina, the

See Lex

Major reorganisation for STC in wake of ICL acquisition

BY JASON CRISP IN LONDON

STC, the UK electronics and telecommunications group, has made per cent owned by ITT.

changes comes as corporate anahysts in London await details of STCs first half losses to be announced in early August following a ter and telecommunications technique. fits of the ICL acquisition.

However, the benefits from the changes are likely to be long-term and analysts remain much more concerned about the company's im-

A new company to sell private main companies. These include communications networks has been ICL's private exchange (PABX) diits first substantial reorganisation formed from existing parts of STC. since it acquired ICL, the computer manufacturer last year. STC is 24 ago, and ICL. The company, STC per cent owned by ITT.

Network Systems, will have a turn-The announcement of the over of about £50m (\$69.4m) with

warning earlier this month. Confinology which was given as the main dence in the group is extremely low reason for the bid. STC sees the but STC hopes the reorganisation new company as an important part will demonstrate some of the bene- of its future strategy.

> networks will be worth \$80bn worldwide by 1990 with nearly one quarter of sales in Europe.

The new company brings togethcations and electronic components. er six separate groups from the two

vision, a software company from STC, and IAL's Data Communications division. STC Network Systems will be part of ICL - the two companies have otherwise generally remained separate since the

Mr Nigel Horne, STCs director of corporate development, said yester-day: "Integrated information systems to make our customers both more efficient and more effective will be one of our principal busi-nesses and STC Network Systems is therefore central to our future plans. It will add considerably to the growth of our total business through the additional sales it will generate for products and services from other parts of STC."

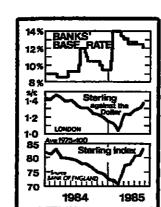
Pound steady as UK banks cut key rates

Continued from Page 1

than envisaged by the Govern-ment's official target range. Mr Lawson said that there was no laxity in monetary conditions at the present time." The narrow money supply measure, Mo; the exchange rate and the housing market all suggested that monetary policy was relatively tight.
In his evidence to the committee
he appeared to take a rather softer

line than in the past on the question of British membership of the European Monetary System's exchange-rate mechanism. While the balance of advantage was still against, there were good political arguments for full membership of the EMS. Yesterday's base rate cut was led

by National Westminster and was quickly followed by Barclays, Midand and Lloyds.



uary, but still remain far above the

Base rates are now 2 points below Three month D-Mark interest the crisis level of 14 per cent set during the run on the pound in Janpoints below sterling rates, while

levels in most other industrialised

encouraged a rush of funds into sterling as investors have moved out of the dollar, pushing up the pound's value not only against the dollar but also against European The CBI said yesterday that the

It is those differentials that have

14-point cut was a "small step in the right direction." Sir Terence Beckett. CBI director-general, added, however, that the recent 14 per cent rise in sterling against the D-Mark might have serious consequences for British exports.

stantial reduction in UK rates in the next few weeks," he said.

On the foreign exchange markets

French rates are about 1½ points growth and falling short-term inter-The U.S. currency closed in Lon-

sures the pound's value against a basket of currencies and is calculated before the close of trading was

0.2 points lower at 83.2. Britain's building societies indicated yesterday that they were not planning an immediate cut in mortgage rates, but they were optimistic about the chances of a 1-point reduction from September.

Mr Roy Cox, chairman of the "We are hoping for a further sub- Building Societies Association, said that a strong improvement in the month meant that if present trends dollar recovered briefly but continued "it is hoped that building then came under renewed pressure societies' rates can be reduced in because of concern over slower U.S. the fairly near future."

IBM profit falls in second quarter

Continued from Page 1

dollar and its impact on currency exchange rates has had significant negative effect on our reported results for the second quarter and year to date." he added. Had currency rates been the same in the latest first half as in the 1984 period, IBM estimated that its gross income would have been \$1.24bn higher, a gain of 8 per cent, and net earnings would have been \$225m higher, a more modest 7 per cent improve-ment over the 1984 first-half. But the company added that if

third quarter for a number of our customers.

the dollar remained at its current but noted that "substantially all of level, down significantly from the growth" came from outside the cent decline in second-quarter net first quarter peak, "all the impact U.S. For both the quarter and the earnings, which it blamed on confirst half of 1985."

ress in the U.S. economy as having a negative impact on earnings. These gains helped to offset a conving good order rates for its high-end storage devices and personal computers, "demand for intermediate puters, "demand for intermediate IBM has encouraged a switch from Revenues dropped by 12.2 per cent to \$2.50m, or 47 cents, in the corresponding period a year earlier. Revenues dropped by 12.2 per cent to \$2.50m from \$2.50 systems in the U.S. remains soft."

The IBM president said worldwide shipments for the first six
months were higher than last year,

on IBM's full-year revenue and six months IBM's revenues from tinued weakness in semiconductor earnings will have occurred in the services, up 14 per cent in the latest demand. The company added that it Finally Mr Akers cited "the soft-which increased by 8.3 per cent to mand was ending."

We took our name from the hilly area of Burgan where once caravans used to stop on their travels in the Arabian Peninsula, and where the first and largest oil field was discovered. So Burgan not only stands for the

country's past tradition, but its present prosperity too. In our case, it also stands for something else, a progressive attitude that is definitely looking to the future. And that's something we believe

is a very important quality in a bank.

After all, a bank's success is often dependent on its ability to spot future business potential. Our success is proof of us having that ability. So, if you need a forward looking

bank, talk to us. At Burgan Bankwe can help with contract or project financing trade financing, loans, fund management, foreign exchange and a full range of other financial services.

Whichever you need, use us once and you'll never look back.



Burgan Bank SAK PO But 5389 Salat, State of Virgant Telephone 439000/20 Telex 23309 BURGAN KT

World Weather

Appers
August
Augus
Augus
Augus
Augus
Augus
Augus
Banglob
Banglob
Bertan

Continental Illinois income slips

tion, holding company of the trou-bled Chicago bank, said yesterday that net income had fallen slightly in the second quarter from the first quarter, Reuter reports from Chicago. The group, however, had reduced its borrowings from both the Federal Reserve and a special funding group of U.S. banks.

Continental's net income in the second period was \$37.3m, or 13 cents per share, against \$39.3m, or 14 cents in the first quarter and a loss of \$1.158bn, or \$28.86, in the second quarter of 1984.

against \$965m in the first period. Borrowings from the special funding group of banks fell to an average of \$3.1bn from \$4bn in the first ter earnings were primarily a result

The bank said that Continental's management believed that compari-son of results of the second quarter of 1985 with the second quarter of

econd quarter of 1984.

Borrowings from the Fed averBorrowings from the Fed averBorrowings from the Fed aver-

surance Corporation (FDIC). Mr William Ogden, the bank's of lower net interest income and slightly higher non-interest ex-penses partially offset by non-inter-est income and a lower provision

for loan losses. Income tax benefits derived from 1984 was not meaningful because of the 1984 loss also were lower, at the restructuring that occurred on \$12m against \$15m in the first peri-

come dropped by S8m to \$180m, which Continental attributed to a decline in both interest rate screads

CONTINENTAL Illinois Corpora- aged \$481m in the second quarter,

Under that change, Continental

SECTION II - COMPANIES AND MARKETS

FINANCIALTIMES

Tuesday July 16 1985

By Rupert Cornwell in Bonn

ARBED SAARSTAHL, the trou-

bled West German steelmaker, will require further aid this year

and next to ward off financial

collapse, despite a steady im-provement in its operating per-

formance.
This emerged in a letter from
Herr Oskar Lafontaine, Social

Democrat premier of Saarland

where Saarstahl is based, which attacked Federal authorities for

further direct aid to the compa-

It also coincided with the nub-

lication of Saarstahl's 1984 re-

sults, which show a further heavy loss. The steelmaker showed an

accounting deficit of DM 92.4m

(\$31.9m) last year compared with a DM 123m deficit in 1983, and

comes despite a rise of more than 13 per cent in sales to DM

2.24bn. Its workforce of 14,400 is

more than one tenth smaller than 12 months earlier.

The company said that operat-ing losses have continued during

the first quarter of 1985. How-ever, in April and May it reg-istered a positive cashflow for the first time since these latest

difficulties began and is optimis-

tic that the trend will continue

More than DM 3bn in public

aid has been injected into Arbed

Saarstahl. Nevertheless, fresh aid will be needed as Herr Lafon-taine, a left-wing Social Demo-

crat who led his party to victory in Saarland in last March's state

elections, made clear in his open letter to Chancellor Helmut

The chances of further support

Kobl.

for the next few months.



JUMP IN INTEREST INCOME AIDS BANKS IN SECOND QUARTER AND FIRST HALF

Profits up for Chase, Morgan

BY PAUL TAYLOR IN NEW YORK

money centre banks, yesterday re-ported sharply higher second-quar-ter and first-half net earnings, mainly reflecting higher net inter-est income spurred by lower bank funding costs and soaring foreign exchange and securities trading

Chase Manhattan, the third largest U.S. banking group; said its sec-ond-quarter net income increased by 45 per cent to \$131m or \$2.88 a share from \$90m or \$2.21 a share in the year-ago period. The latest per share figures reflect increased preferred stock dividend requirements ble loan losses. and an increase in the number of common shares outstanding.

share from \$103.7m or \$1.16 a share in the 1984 period.

Cooke in new

for Multimedia

and newspapers group.

These shares, together with the
1.62m Mr Cooke and his affiliates

already own, would give him major-

ity control. If successful with the

new bid, he would extend a cash

and securities offer of the same val-

Multimedia's shareholders.

11.00

1 W

5.

Ţ,

ue as the latest bid to the rest of

In early trading, Multimedia's shares rose 51% to \$62%

\$1.17bn bid

By Our New York Staff

CHASE MANHATTAN and J. P. Chase said its earnings gain Morgan, two of the major New York mainly reflected increased net interest income and other operating income including increases in most fee-based income catagories. These gains were partially offset by in-creases in other operating expenses and in the provision for possible

> The banking group noted that it received about \$13m in pre-tax in-terest payments on cross-border loans to public sector Argentine borrowers. However, in line with new federal regulatory guidelines, this interest income was offset by an incremental provision for possi-

The latest quarterly earnings lift-ed Chase Manhattan's first-half net J. P. Morgan, the fifth largest income to \$265m or \$5.80 a share, U.S. banking group, said second-including a pre-tax \$22m (\$15m af-quarter net earnings increased by 51.9 per cent to \$157.5m or \$1.75 a all the bank's minority interest in Diamond Lease of Japan, compared

same period last year. J. P. Morgan, whose principal subsidiary is Morgan Guaranty J.P.
Trust, said the latest results lifted first-half earnings to \$322m or \$3.60 est op a share from \$249.7m or \$2.82 a taxes.

share in the year-ago period.

both net-interest income, which grew by 17.2 per cent to \$421.2m sion was \$120m compared with from \$359.5m resulting from higher \$90m in the 1984 period. net yields between lending rates and the costs of funds and an increase in interest earning assets to \$58.2bn from \$53.1bn, together with higher non-interest income, primar-

ily trading results. a year earlier, while other trading income increased to \$31.5m from \$3.5m a year ago and net invest-ment securities gains grew to June

in the 1984 second quarter.

J. P. Morgan said these gains more than offset higher non-inter-

est operating expenses and income

In the latest period, J. P. Morgan The banking group said the higher said the provision for credit losses er second-quarter and six-month earnings resulted from increases in earlier and \$30m in the first quarter. For the six months, the provi-

The bank said the increase in provisions reflected "management's concern about the uneven economic recovery in both the U.S. and

Net charge-offs totalled \$26m in Foreign exchange trading result-ed in a \$45.6m gain in the latest pe-riod compared with losses of \$12.9m offs of \$12m after \$5m in recoveries in the 1984 second quarter. The resulting reserve for possible loan

Federal Farm Credit in bid to rescue Omaha bank

BY WILLIAM HALL IN NEW YORK

THE FEDERAL Farm Credit Sys- ther collapses. MR Jack Kent Cooke, U.S. entrepreneur and owner of the Washington Redskins, an American football tem, which lends about a third of the \$212bn borrowed by U.S. farmers, is mounting a \$435m rescue of the troubled Federal Intermediate team, kicked off with another revised offer for Multimedia yesterday, valuing the group at \$1.17bn. This time he sweetened the offer to Credit Bank (FICB) of Omaha which has been hit by the mounting financial problems of farmers in the \$70.1 a share from \$65, for 40.3 per cent - 6.73m shares - of the South Carolina-based TV stations, cable

The FICB of Omaha is one of 12 banks which provides short and medium-term credit to about 370 production credit associations (PCA) which in turn provide working capital to farmers throughout the U.S. To date, 11 PCAs have collapsed causing hardship to thou-sands of farmers and the rescue of the Omaha bank, which is the secand biggest in the U.S. farm credit system, is designed to prevent fur-

Under the proposed plan, banks in the Federal Farm Credit System will inject \$75m in the form of a loss-sharing payment, and another \$75m of potential losses identified by a special credit review would be absorbed by the FICS of Omaha and its associated PCAs utilising

existing loan reserves and surplus. In addition, the Farm Credit System Capital Corporation, which was established earlier this year to speed the rescue of the FICB of Spokane, Washington state, will purchase and service on behalf of the 37 farm credit banks approximately \$240m in high-risk assets from the FICB of Omaha and its re-

Finally, the proposed rescue plan

will provide for loss-sharing payments of up to \$25m from syste banks to underwrite future operating losses (net of earnings) of the FICB of Omaha, as may be re-

The FICB of Omaha has loans of \$1.6bn outstanding to 37 PCAs serving 19,000 farmers and ranchers in Iowa, Nebraska, South Dakota and Wyoming. These states have been among the hardest hit in the U.S. by the current stress in the farm

The Farm Credit System is one of - estimated at up to DM 350m before the end of 1986 - have not the biggest borrowers in the U.S. fibeen enhanced by the acrimonious exchanges between Herr Lafontaine and the centre-right \$103.9bn of bonds and notes which it used to finance its \$75.8bm of coalition in Bonn.

Arbed Levi Strauss set to Saarstahl go private again in to seek \$50 a share deal more aid

BY CHRIS CAMERON-JONES IN NEW YORK

successful. News that Mr Robert Haas, president and chief executive nass, president and onler executive officer of the U.S. group, was considering such an offer, valuing the group at \$1.86bn, last week sent shares climbing and in early trading yesterday they rose \$1% to \$46%.

Family members holding 36 per cent of the shares have obtained commitments for more than \$2bn of debt and equity financing for the deal. The remaining family members and trusts controlling an additional 4 per cent are expected to support the proposal. At the same time, they reserve the right to pre-vent a third party from securing control of Levi Strauss.

Mr Haas said a return to family ownership was to "better enable management to focus attention on the long-term interests of the company." Private ownership would be the most appropriate way to ensure that the company continues to re-

LEVI STRAUSS, the world's largest verman of Evans Company demaker of jeans, will go private again after 24 years, if a 550 a share leveraged cash buyout yesterday by members of the founding family is the company. As to Levi's outlook, he felt it had closed enough facilities to match demand and would do well, whether private or public.

HHF, a newly formed company being advised by Hellman Fried-man, a San Francisco-based investment bank, will be the vehicle for the deal. Wells Fargo Bank has agreed to organise and participate in a syndicate that will provide \$1.45bn to fund the offer and an extra \$250m for working capital. A number of major banks have already agreed to provide substantially all the necessary funds, HHF

Salomon Brothers has agreed to underwrite \$300m of subordinated debt to retire existing debt. The balance of the financing will be supplied by the family, who would provide 7m or more of their shares and have obtained a \$300m line of credit to buy shares in the market or through private deals.

Levi's profits have recovered

Wheeling Pittsburgh sees loss of \$50.1m

WHEELING Pittsburgh, the big U.S. steel company which filed for protection under chapter 11 of the U.S. bankruptcy code in April, lost \$50.1m in its second quarter, almost months of the year.

The Pittsburgh-based group, which ranks as America's seventh biggest steel producer, shipped 550,002 tonnes of steel worth \$245.6m in the latest quarter, down from 634,573 tonnes, worth \$279.1m in the same period of last year.

Operating losses in the latest quarter totalled \$18.5m compared with an operating profit of \$18.7m in the same period last year. The latest period includes a non-recurring loss of \$28.7m for the estimated costs of closing a Minnesota iron ore mine and a coal mine in

Mr Dennis J. Carney, Wheeling-Pittsburgh's chief executive, says that "severe price discounting, reduced shipments and production spect and implement its important values and traditions, he added.

Wall Street analyst Mr Alan Sil
wall Street analyst Mr Alan Sil-

Allied advances 17%

BY OUR NEW YORK STAFF

ALLIED Corporation, the diversifiprofits by 17 per cent to \$152m or \$1.61 a share, from \$130m or \$1.37. aided chiefly by a net after-tax gain of \$19m. The rise was helped by dvances in all main areas except

motor components. Combined with the \$1m advance n the first three months, half-time profits were up at \$286m, or \$2.98, against \$263m or \$2.73 a year

Sales were unchanged at \$5.53hn ed U.S. manufacturing and chemi- with revenue in the latest quarter cals group, lifted second quarter net dipping to \$2.75bn, from \$2.76bn

Mr Edward Hennessy, chairman, said Allied's second quarter income was a record

Second quarter income included a \$241m after-tax gain on the sale of the group's oil and gas business, off-set by charges of \$222m related to the closure of the chrome business and the synthetic soda ash plant at

Norsk Hydro buys Beda unit

By Fleming Dahl in Oslo NORSK HYDRO, the Norwegian in-

dustrial and energy group, has acquired the fertiliser business of Beda, the West German industrial group, after approval by West German authorities.

Norsk Hydro's new subsidiary in West Germany has nearly 1,700 employees and an annual turnover of about NKr 2.1bn (\$250m). The value of the deal was not disclosed.

Biomedical equipment venture for France

activities.

BY DAVID MARSH IN PARIS

FRANCES medical research agen- chude the Soginove venture capital cy inserm is teaming up with finan-cial organisations and industrial Propulsion, the rocket engine makgroups to set up a biomedical instruments company, Biocom.

Biocom, with a capital of FFr 10m (\$1.13m) will become operational later this year. Its research activities will be geared towards providing image processing equipment, biotechnology instruments and computer services for the biomedi-

stake while other shareholders in-

EUROBOND traders were looking

day to provide excitement. Pirelli,

the Italian tyre and cable group, co-ordinated convertible bond issues

in three currencies, while in the Euroyen market Swedish Export Cred-

it launched the first zero-coupon is-

Meanwhile China made a foray into the Euro-Hong Kong dollar market through the China Inter-

national Trust and Investment

the Eurodollar bond market, suffer-

ing under the dollar's decline, was

dull with prices largely unchanged

in thin trading.

The Pirelli deal was well received

in early trading with all three is-

portion raises \$50m and is led by

Credit Suisse First Boston. It has a

the bearer participation certificates

Diversions were necessary, for

Corporation (CfTfC).

to novelties in the market yester

EUROBONDS

Ashland agrees to sell **Integon to Southmark**

miums will be set in reference to 99.90 issue price. The deal did not the average share prices over the 15 trade widely in Europe.

BY OUR FINANCIAL STAFF

group and Société Européenne de er which also has image processing ment and development group, for

Novelty issues lift interest in dull market

Previous 103.817

Low 99.840

The decision to set up Biocom is in line with the Government's aim of improving overall French expertise in the scientific instrumentation field, where much of the market is taken by foreign companies. The French atomic energy commissomeoner services for the biomedi-al industry. sion earlier this year also set up a commercial biomedical company, Inserta will take a 30 per cent Oris Industrie, to group together its activities in the radiology field.

BHF Bank bond average

the Swiss entity – at a 5 to 10 per cent indicated premium, or into SIP shares at a premium expected to be

The £40m issue is led by Baring Brothers and the borrower is Pirelli UK International Finance. The

can be switched into Pirelli SpA

The third part is a DM 100m issue for Pirelli Financial Services, led by

Berliner Handels- und Frankfurter

Bank. This has a seven-year life

7 to 7% per cent yield. Coming in ed. Like the sterling deal, it can be CITIC to the Hong Kong dollar the name of Pirelli Financial Ser-converted into the three different market to raise HK\$300m, arguably

up to 2½ per cent.

supplies many smaller marketing companies, has agreed to sell Integon, its insurance subsidiary, to ed losses on the disposals.

Southmark, the property manage—

The disposals are part of a

about \$157m. Ashland announced last September that it intended to sell Integon, a life, property and casualty company with mortgage guarantee interests. It bought Integon in 1981 for surance companies operating in 43 \$233m as part of a larger \$404m acquisition of U.S. Filter.

When it announced its intention

business days starting on July 5, which have already shown a rise. The sterling and dollar issues have

put options after seven years at 105

to give investors some protection if

the equity play proves disappoint-

The expected zero coupon issue

in the Euroyen market was launched by Swedish Export Credit yesterday, with Nikko Securities

(Europe) as lead manager. The issue, thought to be for a swap, has a

are not allowed to buy the bonds di-

rectly for 180 days. The bonds were quoted at a one-point discount to

the issue price compared with fees

Chase Manhattan (Asia) brought

the first Euro-Hong Kong dollar is-

ASHLAND OIL, the largest U.S. in-dependent petroleum refiner, which several other former U.S. Filter subsidiaries, Ashland said it would take a \$270m charge against expect-

The disposals are part of a strategy by Ashland to concentrate resources more closely on its key businesses of oil refining and mar-keting, special chemicals, oil and gas exploration and coal.

cies in force and \$13bn of life insur-

In the long-dated sterling market the World Bank is offering £100m worth of bonds dated 2010 on a

yield margin of only 45 basis points above the benchmark gilt-edged

stock, Treasury 13% per cent 2004-08 Barings will price the issue

on Wednesday afternoon to give a price close to 87%. The issue is part-

ly paid and applications open on Thursday morning.

Margins have fallen steadily in the bulldog market and this is the

finest spread to date. The changes

in taxation of capital gains in the

sterling markets have made buildog

issues more attractive, enabling

borrowers to cut their borrowing

SwFr 150m public issue for the Eu-

In the Swiss franc bond market a

NEW ISSUE

These Bonds having been sold, this announcement appears as a matter of record only

JULY 1985

U.S. \$100,000,000

DFC Finance (Overseas) Limited

11% Guaranteed Bonds Due 1995

Unconditionally guaranteed by **Development Finance Corporation of New Zealand** (A statutory corporation wholly owned by New Zealand)

Credit Suisse First Boston Limited

Algemene Bank Nederland N.V.

Commerzbank Aktiengesellschaft

Crédit Lyonnais

ropean Investment Bank will have terms indicated today by SBC. Bank Leu set terms for a SwFr 30m private placement for Nippon Metal at a five-year life with a 5%

of Societé Internationale Pirelli - on July 25 and the conversion pre- life with a 9% per cent coupon and largely

Banque Nationale de Paris

Grindlay Brandts Limited

Merrill Lynch Capital Markets

Morgan Stanley International

Nomura International Limited

Westpac Banking Corporation

S. G. Warburg & Co. Ltd.

per cent coupon and 100% issue

Swiss franc foreign bonds were unchanged yesterday.

Rand Mines keeps operating costs down

All three will have final terms set sue. Terms were set at a five-year

bonds mature in 2000 and the coup-on is indicated between 7% and 7% per cent. As well as being converti-ble into the two SIP shares, these

can be switched into Pirelli SpA ed little interest among European shares, at a premium indicated in investors, and Japanese investors

By George Milling-Stanley in London

vices, the bonds are convertible into types of shares.

sues - in dollars, sterling and D-Marks - quoted within their 1½ per cent selling concessions. The dollar for Pirelli Financial Service

10-year maturity with an indicated and a 4 per cent coupon is indicat-

standing performance, succeeded in. R14m to R3.9m.

(ERPM), which produced an out-neged to increase its net profit from

reducing operating costs by 4.6 per In sharp contrast, Durban Rodde-cent in comparison with the first poort Deep, the group's other state-

quarter's working profit of R168,000 into a loss of R654,000.

The amount of state aid claimed has risen from R316,000 to R1.12m, but this was not enough to prevent a fall in net profits from R1.6m to

THE RAND Mines group kept op-crease in gold production helped small rise of 2.9 per cent in costs in revenue from by-products, main-erating costs under control despite this marginal operation to reduce was sufficient to turn the previous ly uranium.

proaching the end of its economic life as a gold mine, has ceased uranium production entirely and plans to satisfy all outstanding contracts **Citicorp Investment Bank Limited**

Bank of Tokyo International Limited

Banque Paribas Capital Markets

County Bank Limited

Daiwa Europe Limited

Kidder, Peabody International Limited

Morgan Guaranty Ltd

The Nikko Securities Co., (Europe) Ltd.

Orion Royal Bank Limited

Westdeutsche Landesbank Girozentrale

Yamaichi International (Europe) Limited

the impact of higher wages for its working loss to R3.5m (\$1.88m) white miners, according to a June from R8.2m. quarterly report from the South Af- The claim for state assistance has can gold mines. accordingly been reduced from R9.1m to R6.8m, but ERPM still ma-

cent in comparison with the first poort Deep, the group's other state-three months of the year. An in- assisted mine, found that only a both suffered from a sharp decline

Blyvooruitzicht, which is ap-

from stockpiled material, while Harmony has closed one of its three plants and may need to cut output further to bring it into line with de-

KLK to

sell Batu

Lintang

subsidiary By Our Kuala Lumpu Correspondent

KUALA LUMPUR Kepong (KLK), Malaysia's fourth largest plantation group, has announced

a restructuring scheme for its Batu Lintang subsidiary, under which it will buy up the planta-tion assets and sell the company

New Issue



Genossenschaftliche Zentralbank Aktiengesellschaft GZB — Vienna

(Incorporated in the Republic of Austria with limited liability)

A\$50,000,000 131/4% Bonds due 1992

Orion Royal Bank Limited

Citicorp Investment Bank Limited

Morgan Stanley International

June 1985

Amro International Limited Bankers Trust International Limited Berliner Handels- und Frankfurter Bank Crédit Commercial de France Daiwa Europe Limited Dresdner Bank Aktiengesellschaft Kleinwort, Benson Limited

London & Continental Bankers Limited

Nomura International Limited Salomon Brothers International Limited Swiss Bank Corporation International Limited S.G. Warburg & Co. Ltd.

Bank of Tokyo International Limited Banque Bruxelles Lambert S.A. Crédit Agricole **Credit Suisse First Boston Limited** D G BANK Deutsche Genossenschaftsbank Hambros Bank Limited Kredietbank International Group Merrill Lynch Capital Markets Rabobank Nederland Sumitomo Finance International

Union Bank of Switzerland (Securities) Limited

Westpac Banking Corporation Wood Gundy Inc.

This announcement appears as a matter of record only.



Republic of Finland

Dfls 150,000,000 7¾ per cent. Bonds 1985 due 1991/1995

Annual coupons July, 15

Algemene Bank Nederland N.V. Amsterdam-Rotterdam Bank N.V. Bank Mees & Hope NV Rabobank Nederland Nederlandsche Middenstandsbank ny

Baring Brothers & Co., Limited Daiwa Europe Limited Dresdner Bank Aktiengesellschaft Kredietbank International Group Morgan Guaranty Ltd. Orion Royal Bank Limited

Salomon Brothers International Limited Union Bank of Switzerland (Securities) Limited

Kansallis-Osake-Pankki

Postipankki Union Bank of Finland Ltd. Bank of Helsinki Ltd.

June, 1985



BANQUE SUDAMERIS U.S.\$30,000,000 Floating Rate

Notes due 1987 For the six month period 15th July, 1985 to 15th January, 1986 the Notes will bear an interest rate of 814% per annum.

Interest payable on 15th January, 1986. Bankers Trust Company, London

THE NIPPON CREDIT BANK (CURAÇÃO) FINANCE N.V. 11.5.\$50.000,000

Payment of the principal of, and interest on, Notes is unconditionally and irrevocably guaranteed by THE NIPPON CREDIT BANK, LTD. (Kabushiki Kaisha Nippon Saiken Shinyo Ginko)

In accordance with the provisions of the Reference Agency Agreement between the Nippon Credit Bank (Curacao) Finance N.V. and Citibank, N.A., dated July I. 1979, notice is hereby given that the Rate of interest has been fixed at 8½% p.a. and that the interest payable on the relevant Interest Payment Date, January 16, 1986 against Coupon No. 13 will be U.S.S42.17.

July 16, 1985, Landon By: Citibank, N.A. (CSSI Dept), Agent Bank CTIBANG

INTL. COMPANIES & FINANCE

KLSE plans one-month settlements to lift activity

THE KUALA LUMPUR Stock reserves and lowering of interest not to go ahead with the pro-exchange, whose industrial rates, and a ban on new public posal to buy 2 50m ringgit index has plunged to a 30-mouth listings on the exchange. (U.S.\$20m) office building for low, is expected to introduce a one-month settlements system next month to stimulate activity.

The move was adopted by the KLSE members at an extra-ordinary meeting over the weekend, and now awaits the approval of Mr Daim Zainuddin, the Finance Minister, before implementation. Dr Daim is expected to

approve the proposal since he is very concerned over the depressed stock market and has, controver the past fow months, once taken several significant initia. Siven tives to revive the market with-

The measures include asking banks to lend more money for share purchases, the injection

The KLSE Industrial Index has fallen from 680 in February 1983 to 469 last week following domestic political and economic problems, including the Bank Bumiputra loan scandal in Hong Kong and the protracted power struggle within the Malaysian Chinese Association, the Chinese partner in the Government.

Mr Abdul Razak Sheikh Mahmood, the KLSE chairman, said details of the extended contract system would be issued once ministerial approval is Under the system clients

Foreign investment fund for Bangkok

fund through its Singapore-based investment arm.

The Singapore company, First Overseas Bangkok Investments,

was incorporated last November

mainly to invest in a diversified

share orders within 30 days instead of the present week, which, traders say, has actively tem through a reduction of tive sentiment, commercial banks' statutory

The KLSE bes The KLSE has also decided

its headquarters, which is pre-sently located on rented sently premises.

However, a new company However, a new company, KISE Realty, has been incorporated to look into the need for a new headquarters building, Members of KISE Realty will be the Stock Exchange, its member firms, and Scans Berhad, the KISE computerised electric bouse.

clearing house.
On the corporatisation of the Malaysian stock broking indus-try proposed by Mr Daim, Mr Abdul Razak said KLSE members have reached "an informal consensus" on the need to allow Malaysian merchant banks would be allowed to settle their and international stockbrokers to take equity in local stock-broking firms, subject to certain safeguards. The KLSE has submitted its views to the Finance

tion assets and sell the company to two units in the empire of Tan Sri Wee Boon Ping, a prominent businessman from the east Malaysian state of Sabah. The announcement ends months of speculation about Batu Lintang, the share price of which has risen from just over 5 ringgit to 8 ringgit this year despite a depressed Malaysian stock market. sian stock market. Under the deal, KLK will sell

Under the deal, KLK will sell 12.76m shares, representing 72 per cent of Batu Lintang, to Kim Chuan Seng Holdings and Kenenam Jayafi for 82.94m ringgit (\$33.5m).

At the same time, KLK will acquire assets comprising 5.570 hectares of estates, a palm oil mill and a rubber processing factory for 103m ringgit.

KLK said the Batu Lintang shares would be sold without the right to the 5.9 per cent taxexempt dividend announced in

me right to the s.s per care taxexempt dividend announced in
May, or another dividend of 220
cents gross declared on Friday.
KLK said the deal will increase its own net tangible
assets by 16.5 cents per share,
and expend the group's planta-MERRILL LYNCH of the U.S. ferred shares worth \$30m for Bangkok First Investment and Cazenove and Co, the Bangkok Investments, a com- and Trust, a Thai securities and British stockbroker, have pany registered in the Cayman investment concern closely jointly set up an investment Islands that will operate the associated with the Bangkok Bank, has been appointed as adviser for the fund.

assets by 16.5 cents per share, and expand the group's plantation acreage.

Tan Sti Wee Boon Ping is attracted by Batu Lintang's publicly listed status. After the purchase, Kim Chuan Seng Holdings will inject two properties into Batu Lintang for 58m ringgit.

According to the announce-ment made in Bangkok, the two foreign brokers are jointly ment made in Bangkok, the portfolio of securities listed on two foreign brokers are jointly the Securities Exchange of underwriting redeemable pre-Advance in interim profits

for Kuwait Asia Bank

fund, known as the Bangkok Fund, for foreigners to invest

in Thailand's stock exchange. It is the first of its kind for

NTERIM RESULTS at Kuwait \$135m drop in time deposits Asia Bank, a Bahrain OBU with banks was substantially owned principally by Kuwait offset by a \$96m increase in financial and public institutions, marketable securities. Shareshow profits after provisions for the six months to June of at \$124m.

\$2.52m, an increase of 61 per The bank is in the process of forming a helding company in the comparable 1931. cent on the comparable 1984

The balance sheet expanded 49 per cent shareholding in by a modest 5 per cent over the Australasia Investment Com-

forming a holding company in New Zealand to take over its 12-month period to \$570m, but pany limited. It will form a loans shot up 34 per cent to second holding company in \$243m, with almost the whole of Australia for its merchant bank, the increase coming in 1984. A due to open shortly

American Express Tokyo moye

BY OUR FINANCIAL STAFF.

group, plans a public offering of 1m new shares in Japan if it succeeds in listing its shares group, plans a public offering
of 1m new shares in Japan if
it succeeds in listing its shares
on the Tokyo Stock Exchange.
Yesterday's formal announcement that the company would on revenues of \$12.9bn, followmake a listing application ing a string of acquisitions in
followed extensive informal
meetings with Japanese authorities who indicated they would.
The company recently agreed ties who indicated they would

approve the application, The share offering, which would raise \$474m at current prices, will take place late this

AMERICAN EXPRESS, the fast-growing U.S. financial services be Nomura Securities

The company recently agreed to sell its 50 per cent stake in Warner Amex, the cable tele-vision joint venture with Warner Communications,

Hongkong Land in fresh talks on Excelsior Hotel

The Thai brokerage com-munity welcomed the establish-

ment of the fund, which is seen as a potentially big boost for the Thai capital market and as encouraging foreign inves-

tors' confidence in the kingdom.

to be in the region of HK\$830m

The company said yesterday
that instead it had begun
negotiations with other
potential purchasers, but
dealined to alchemate on yesteroes potential purchasers, but declined to elaborate on reasons for the abandonment of the

original deal

Bankers in the territory had

HONGKONG LAND, the debt-laden property group, has as the probable signatory of aborted an agreement to sell the territory's Excelsior Hotel to unidentified overseas investors for a price believed to be in the project of HESSON and the principle to buy the 948-room hotel, reached on June 13. quently sought a funding package for the purchase from Standard Chartered and Wardley, two merchant banks operating in Hong Kong. Hongkong Land is in the process of shedding what it regards as "non-core" assets in an attempt to reduce debt.

Eni International Bank Limited ECU 135,000,000

Guaranteed Floating Rate Notes due 1992 Ente Nazionale Idrocarburi

In accordance with the terms and conditions of the Notes, the rate of interest for the interest period July 16, 1985 to October 16, 1985 has been fixed at 95/16% per annum. Interest payable on October 16, 1985 will be ECU237-99 per Note of ECU10,000.

Agent Morgan Guaranty Trust Company of New York London Branch

This advertisement is not to be construed as a public offering in any province of Canada unless a prospectus relating thereto has been accepted for filing by a Securitles Commission or similar authority in such province. The offering is made by the prospectus only, copies of which may be obtained from such of the undersigned and other dealers as may lawfully offer these securities.

Initial Public Offering

\$225,000,000

LONVEST CORPORATION

11,250,000 Common Shares and

5,625,000 1985 Common Share Purchase Warrants

Offered in Units, each of which consists of one Common Share and one-half of a 1985 Common Share Purchase Warrant which will be immediately separable. Each whole Warrant will entitle the holder to purchase, on or prior to July 15, 1988, one Common Share of Lonvest Corporation for a price of \$23.50.

Price: \$20.00 per Unit

Richardson Greenshields of Canada

Dominion Securities Pitfield Limited

Wood Gundy Inc.

Nesbitt Thomson Bongard Inc.

Merrill Lynch Canada Inc. **Gordon Capital Corporation**

McLeod Young Weir Midland Doherty Pemberton Houston Willoughby Andras, Hatch & Hetherington Geoffrion, Leclerc

McDermid St. Lawrence **Burgess Graham Securities** Moss, Lawson & Co.

June 1985

Walwyn Stodgell Cochran Murray **Bache Securities** F. H. Deacon, Hodgson Loewen, Ondaatje, McCutcheon & Company Limited Odlum Brown

John Graham & Company Scotia Bond Company

Burns Fry Levesque, Beaubien **Bell Gouinlock** Gardiner, Watson MacDougall, MacDougall & MacTier Osler, Wills, Bickle

Moison Rousseau Tasse & Associates,

ROYAL TRUST

· to

atu

diany

a fresh

Hotel

4.0

I miled

1.55%

4 . 11.11/2

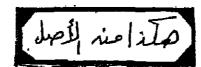
ART IN

Mary & refer

g. a in

er reside

eren inte



INTERNATIONAL COMPANIES and FINANCE

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The

U.S. DOLLAR STRAKEH'S Amer. Credit 10°s, 90 Amer. Credit 12°s, 88 Aber. Richard 10°s, 90 Bank of Yokyo 13°s, 91 BP Captal 1°s, 92 Canada 11°s, 92 Canada 11°s, 93 Canada 11°s, 93 Canada 11°s, 93 Canada 11°s, 93 Canada 11°s, 12°s, 93 Canada 11°s, 12°s, 93 Canada 11°s, 12°s, 93 Canada 11°s, 12°s, 93 Gen Bisc Credit 10% 00
GMAC 10% 89
BM Credit 10% 2006
Indust Bit Jepen 12% 89
Japan Air Lines 13% 94
tealogo Coropany 10% 90
Kellogo Coropany 11% 92
LT.C.B. 12% 91
Macy Cred Corp 11% 95
Medica Bank 13 87
Merral Lynch 12% 89
Minnesone 11% 57
Missai Trust 11% 90
Morgan Gueranty 12% 89
Nippon Cred Dk 13% 89
Ni

1855₀ 1965₄ - 0°₆ - 1 9.25 1927₉ 1933₉ - 03₉ - 13₂ 19.36 1934₁ 1933₂ - 0°₄ - 2 19.25 1955₀ 1965₅ 0 - 1°₈ 19.36 1115₅ 112°₈ - 0°₈ - 1°₈ 19.76 DIEUTSCHE MARK STRAKGHTS ALIEN Dev Bank 6 94 Austra, Republic 7%, 94 Barder Travenot 7%, 94 Creekt National 8%, 94 Degussa int Fin 7%, 94 E.E.C. 8 82 E.H. 7%, 94 E1B. Tr. 94
Escore 8 92
Ferrows Dello Stato 8 91
Finland Republic 7 92
Gould ter Fin Tr. 91
Ireland Stato 8 91
Ireland Stato 8 91
Ireland Stato 8 91
Ireland Stato 9 91
Ireland Stato 9

SWISS FRANC
STEAMORTS
African Dev 8k 6v, 94
Avon Cap Corp 5ve 99
Brit land Comp 6v 99
Council of Europe 6 32
Creditarsant 5v, 94
Deutsche 8k Fin 5ve 95
ELIB, 5ve 94
Euport Dev Corp 5ve 92
Gen Occidentals 4v 94
(C Industries 5ve 94
Inti—Am Dev 8k 8ve 94
Inti—Am Dev 8k 8ve 94
NZ-ealand steel 5ve 86
Oberos Kitaki 5ve 86
Oberos Kitaki 5ve 86
Staston Furia 5ve 94
Santos Finance Ltd 6 94
Tokyo Elec Per 5ve 93

OTHER STRAKENTS
ANCO Fin 14 90 SA
Not Aust Bank 139, 92 SA
Not Aust Bank 139, 92 SA
Not Aust Bank 139, 92 SA
Westpac 131, 85 SA
Westpac 131, 85 SA
Westpac 131, 85 SC
Chrysler Cred 129, 92 SC
Chrysler Cred 129, 92 SC
Genstar Fin 112, 95 CS
Genstar Fin 112, 95 CS
Swet Carsont 111, 92 CS
Wentpleg City 119, 90 CS
Nordic Inv 182 16 90 NS
NZ Forest 159, 92 FOJ
NZ Goot 91, 90 EGU
NZ Goot 91, 90 EGU
Eurofina 71, 92 FL
Philips Lamps 71, 90 FL
Rank Xerox 8 90 FL
Van Lamechot 71, 90 FL
Wen Lamechot 71, 90 FL
World Bank 71, 90 FL
Australia Corom 11, 92 E
List 111, 93 E
List 111, 92 E
List 111, 93 E
List 111, 92 E
Royal Tinsco 179, 90 E
Privatibands 117, 90 F
Rook Xerox 11 92 E
Royal Tinsco 179, 90 E
Swed Exp Cred 111, 90 E
Swed Exp Cred 111, 92 E
Tricosterol XM 119 E
EC.S.C. 102, 94 E
Nord Bank 111, 95 E
EC.S.C. 102, 94 E
Nord Bank 111, 95 E
EC.S.C. 102, 94 E
Nord Bank 111, 95 E
EC.S.C. 102, 94 E
Nord Bank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EC.S.C. 102, 94 E
Nord Lank 111, 95 E
EXTENDED
EXTEND

FLOATING RATE
NOTES
BBLL Int 5 99
Banco of Roma 54, 92
Benhamerica OS 54, 96
Bunt of Montreal 5 95
Bankers Trust 5 2000
Bankers Trust 5, 98
BLP.CE 54, 99
BLP.S4, 96 (May)
C.C.F. 54, 97
Case Manta 54, 2009
Catcorp OS 54, 96 Sep

Credit Lyonneis 54, 95 Dresdner Fin 54, 89 Ireland 54, 97 Ireland 54, 97 Ireland 54, 98 Italy, Republic 5 94 Lloyth Euro 5 2004 Middand Bank Perp 5 Nat West Perp A 54, S Nat West Perp B 54, S Nat West Perp B 54, S Dusenstand Coal 54, 96 Roy BX 500 52, 2005 5 Sweden Perp 54, Tokes 54, 99 CONVENTIBLE
BONDS
Agromoto 3 89
Fanus 3a 58
Furitos 3a 58
Furitos 3a 58
Furitos 3a 58
Kumagai Gaza 3a, 2000
Marata 3a, 99
Marata 3a, 90
Marata 3a, 90
Marata 3a, 2000
Nippon Cit Co 3a, 99
Ola Dec Ind 3a, 99
Cornet Learning 54, 88
Salonus House 3 99
Sony Corp 2 2000
Sometime Corp 3a, 2000
Telada Pision 3a, 2000

With effect from Tuesday, 16th July, 1985 **Base Rate changes** from 12.50% to 12.00% p.a.

Base Rate Change

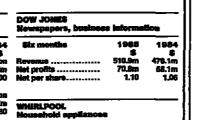
Deposit rates will become: Interest paid half-yearly INTEREST INTEREST 7 days notice 6.54% 1 months notice 710% Top Tier £2,500 +12.00% 8.97% (3 months notice)

Cheque & Save - Cheque & Interest £500-£2,499 £2,500 and over 12.50% 9.34%
Notional Interest paid quarterly

A SUMMERS OF STREET p.l.c.

Head Office: 1 Balloon St., Manchester M60 4EP.

| ABBOTT LABORATORI Pharmacouticals | LS | | RAYTHEON Defence, aerospace | | |
|--|----------------|----------------------------|--|---------------|----------------|
| Second quarter | 1985 \$ | 1984 \$ | Second quarter | 1985 \$ | 1954 |
| tevestre | 827m 115m | 801.4m | Revesus | 1.6be | 1,5bn |
| let profits | 11301 | 700.4M | Net profits Net per share | 94.1m 1.14 | 85an 1.00 |
| Siz months | | 4.00 | Six months | 4.14 | 1.00 |
| levenue | 1.58ba | 1.52ba | Revenue | 3,13ba | 3.02bn |
| let profits | 217.2m 1.81 | 188m 1.56 | Net profits | 181.8m | 67.7m |
| let per stare | 1.51 | 1.36 | Net per share | 2.18 | 0.80 |
| CREINGTON MORTHE tallways, forest produ | | | UNITED TELECOMMUN Non-Bell phone system | | |
| Second querier | 1986 | 1984 | Second quarter | 1965 | 1984 |
| 879016 | 2.09ba | 2.24bn | Revenue | 786.6m | 684.8m |
| et profits | 158.4m | 153.6m | Net profits | 52.7m | 47.3m |
| et per stare Siz months | 1.92 | 1.80 | Net per share Six months | 0.56 | 0.52 |
| 944 MOGUM SYSTEM | 4.45ba | 4.55bn | Revenue | 1.55ba | 1.37bn |
| et profits | 313.6m | 314.2 | Net profits | 111.7m | 103cp |
| et per share | 3.77 | 3.70 | Het per share | 1.20 | 1.13 |
| OLT MEDUSTRIES shicle, aerospace par | rte | · | OWENS-ILLINIOUS Glass containers | | - - |
| Second quarter | 1985 | 1984 | Second guarter | 1985 | 1964 |
| | . 476.3m | \$ 502.3m | | 3 | 3 |
| et profits | 45.8m* | 37.3m | Revenue | 953.1m | 908.5m |
| a) ner abere | 2.30 | 1.61 | Net profite | 45.4m | 40.8m |
| Six months | | | Not per share | 1.52 | 1.45 |
| 6Y8048 | 944.6m | 965.7 _{FB} | Reveaue | 1.81bn | 1.75bn |
| et profits et per shere | 77.8m° 3.90 | 69.8 ₀₂ 2.95 | Net profits | 66.6m | 50.60 |

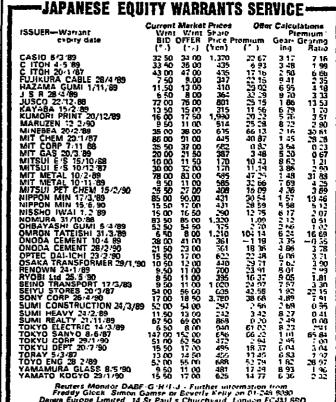


1984 \$

FOR SALE

CESSNA EXECUTIVE JET Citation II - 8 Passenger Seats 3 years old, low hours, very smart British registered Offered with existing management contract if required IDS AIRCRAFT LTD Tel: 01-759 3701 Telex: 923087 IDSAIR G IDS Aircraft Ltd., Building 220 Newcood Crescent London Heathrow Airport Hounslow TW8 1JH

DAIWA EUROPE LIMITED



U.S. \$30,000,000



ZENTRALSPARKASSE UND KOMMERZIALBANK-WIEN

(Founded as a saymey institution by resolution of the

City Council of Vienna) Floating Rate Subordinated Notes Due 1991

In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from 15th July, 1985 to 15th January, 1986 the Notes will carry an Interest Rate of 80% per annum. The interest amount payable on the relevant Interest Payment Date which will be 15th January, 1986 is U.S. \$210.83 for each Note of

Credit Suisse First Boston Limited



Rand Mines Group

All companies are Members of the Barlow Rand Group

Gold Mining Company Reports for the Quarter ended 30th June, 1985

(All Companies incorporated in the Republic of South Africa)

ies of the undermentioned companies in the United Kingdom, 40 Holborn Viaduct London EC1P 1AJ

NEWINTERESTRATES

Base Rate

Decreases by 0.5% to 12.0% per annum with effect from 15th July 1985.

Deposit Accounts

Interest on Deposit Accounts decreases by 0.5% to 6.25% net p.a. with effect from 15th July 1985.

For those customers who receive interest gross, the rate decreases to 8.36% p.a.

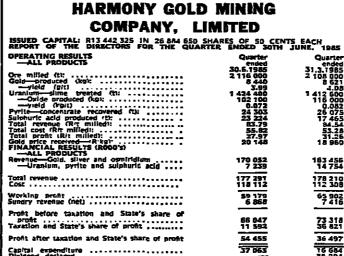
Save and Borrow Accounts

Interest on credit balances decreases to the above Deposit Rate with effect from 13th August 1985 and interest charged on overdrawn balances remains at 23.0% p.a. APR 25.0%.

Monthly Income Accounts

With effect from 15th July 1985 the interest decreases by 0.5% to 8.25% net p.a. For those customers who receive interest gross, the rate decreases to 11.04% p.a.





DURBAN ROODEPOORT DEEP, LIMITED

| | REPORT OF THE DIRECTORS FOR THE | QUARTER | ENDED SOTH | JUNE, 1985 | |
|-----|--|--------------------|--------------------|----------------------|---|
| ł | OPERATING RESULTS | Quarter | Quarter | & months ended | 1 |
| - | Gold | ended 30.6.1985 | 31.3 1985 | 30.6.1985 | i |
| Į | Gold produced fkgt: | 611 000 1 865.6 | 597 000 1 820.7 | 1 208 000 3 646.3 | 1 |
| | Yield tgits | 3.05 59.82 | 3.05 59.47 | 3.05 59.65 | 1 |
| - | Cast (Rit milleg): | 60.89 | 59,19 | 60.05 | į |
| - 1 | Profit*Ross: (Pit milied): | (1.07) 36 550 | 0.28 35 501 | (0.40) 72 051 | , |
| 1 | Cost (R000'5): | 37 204 | | 72 539 | |
| - | Gold price—R kg) | 1654) 19 612 | 19 479 | 14881 19 546 | i |
| 1 | FINANCIAL RESULTS (R000's) Working profit: Loss-Gald | (654) | 166 | (485) | |
| - | Sundry revenue meti | 884 | 1 133 | 2 017 | • |
| 1 | State assistance claimed | 1 119 | 318 | 1 437 | |
| Į | Profit before taxation and State's share | 1 349 | 1 617 | 2 966 | |
| 1 | of profit | 1 343 | | 1 300 | |
| 1 | Profit after taxation and State's share | | | | |
| 1 | of profit | 1 349 | 1 617 | 2 966 | |
| Į | Capital expenditure | 2 297 | 7 856 | 4 153 | |
| 1 | DIVID | END | | 71-b | _ |
| 1 | it was decided not to declare an in- | | ng for the vos | - atomid 2122 | • |
| Į | CAPITAL EXI | ENDITURE | saussina sa Ri | 300 000. The | |

BLYVOORUITZICHT GOLD MINING COMPANY, LIMITED ESSUED CAPITAL: R6 000 000 IN 24 000 000 SHARES OF 25 CENTS EACH REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 30TH HUM

| THE GOARTE | K EWDED SOIL | 74M£, 1965 |
|---|--------------------|----------------|
| OPERATING RESULTS | Quarter | Quarter |
| Gold | ended | ended |
| 9618 | 30.6.1985 | 37.3.1989 |
| Ore milled eth | 516 000 | 542 000 |
| Gold produced (kg): | 3 335.6 | 3 413. |
| Yield (giti! | 6.46 | 6.30 |
| Revenue (R't milled): | 121.77 | 114.11 |
| COSE (R'E Milledi' | 79.40 | 75.5 |
| Profit (Rit milied): | 42.37 | 38.5 |
| Revenue (R000's): | 62 837 | 61 849 |
| Cost IPOOD'S: | 40 972 | |
| Profit (RODD's: | 21 865 | 40 95 |
| Gold price received—(R kg): | 18 838 | Z0 B91 |
| FINANCIAL RESULTS (RODO'S) | 10 636 | 18 12: |
| Working profit: Gold | 27 86S | |
| Working profit: Uranium oxide | 4 212 | 20 89 |
| Sundry revenue (net): | | 18 934 |
| Shirth Icacine facts | 2 731 | 3 339 |
| Profit before taxation and State's share of | | |
| profit | 28 808 | |
| Taxation and State's share of profit | | 35 168 |
| 1272 DOM BUD STATE & SHALE OF PROME | 14 924 | 23 241 |
| Profit after taxation and State's share of profit | | |
| Linut after forange and state a mate at built | 13 884 | 11 927 |
| Capital expenditure | S 138 | |
| Dividend declared | | 3 246 |
| Lan- lass selves 1070 | 21 608 | |
| Loan levy refund—1978 | _ | 2 219 |
| DIVIDEND | | |
| Final dividend No. 79 of 90 cents per share wa | er declared on 10 | b 1 |
| payable on or about 2nd August, 1985 to sharehold | is accessed on 10 | June. 1905 |
| business on 20th June, 1985. | ideaz Lefizicied 7 | t the close of |

EAST RAND PROPRIETARY MINES, LIMITED

| REPORT OF THE DIRECTORS FOR | THE | QUARTER | ENDED | 30TH | JUNE, | 1985 |
|--|-------|-----------|-----------|--------|----------|--------|
| OPERATING RESULTS | | Quarter | Q | uarier | 6 1 | onths |
| | | ended | | ended | _ | enacd |
| | | 30.6.1985 | 31 3 | .1985 | | 1985 |
| Ore milled (t): | | 708 00D | 66 | 2 000 | | 0 000 |
| Gold produced (kg): | | 2 605.9 | 2 | 1509 | | OSE B |
| Yield ig ti | | 3.68 | | 3 70 | _ | 3 69 |
| Revenue (Rit milled): | | 73.93 | | 70.44 | | 72.24 |
| Cost (Rit milled): | | 78.95 | | 82 75 | | 80.79 |
| ILOSS: (R'? millegi: | | 15.031 | | 2 31 9 | | IB 551 |
| Revenue (RODO'M: | | 52 342 | | 6 630 | 9 | 5 972 |
| Cost (R000's): | | 55 902 | | 4 731 | 11 | 0 683 |
| Loss (P000'si: | | (3 560) | | 1511 | | 7111 |
| Gold price received—(R kg): | | 2D 085 | 1 | 3 025 | 1 | 9 572 |
| FINANCIAL RESULTS (RODO'S) | | | | | | |
| Working floss: | | (3 560) | (1 | 1511 | (71 | 7111 |
| Sundry revenue net | | 636 | | 395 | | 1 031 |
| State assistance claimed | | 6 793 | - | B 144 | 7 | 5 937 |
| Profit before taxation and Sizie's chare | | | _ | | _ | |
| of profit | | 3 869 | | 1 386 | | \$ 257 |
| Taxation and State's share of profit | | _ | | | | _ |
| | | | - | | _ | |
| Profit after tavation and State's share | | | | | | |
| of profit | | 3 869 | | 1 388 | _ | 5 257 |
| Capital expenditure | | 8 222 | _ | 9 080 | 7 | 7 302 |
| | SIVID | END | | | | |
| It was decided not to deciare a | | | ad for al | - 7636 | endina | 2140 |
| Peromber 1086 | 1-4 | PETTING | .e .a. n | /**) | F1101112 | 0136 |

Brengreen turns in 18% advance to £3m

RECORD FIGURES produced by receivable Brengreen (Holdings), the inter-national commercial cleaning Minoritie national commercial cleaning and cleansing services group, in the year ended March 30 1985 are not fully reflected in earnings because of a high tax charge. In the light of this the directors have taken "a consistent and realistic approach to dividend policy" and are maintaining the final at 0.7p for an unchanged total of 1.4p net.

With the group growing on all fronts turnover for the year moved shead by 19.6 per cent, from #45.67m to £54.6m, and the profit before tax rose from £2.55m to £3.02m, a growth of 18.4 per cent.

from £45.67m to £54.6m, and the profit before tax rose from £2.55m to £3.02m, a growth of 18.4 per cent.

In the current year, the directors are looking for a "substantial upturn in profits, says the chairman Mr David Evans.

The tax charge against the 1984.85 profit was £998,000, compared with £252,000, and left earnings per share showing a reduction from 3.82p to 3.22p. Tax shows an increase in the deferred charge of some £500,000, and the overall rise of £77 0 also reflects the tax associated with acquired companies.

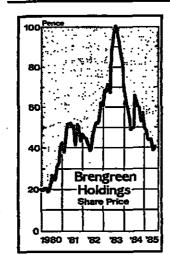
Expenditure.

Mr Evans says looking ahead in the UK's service industry not only encompasses traditional office and window cleaning but also emptying dustbins, sweeping streets, cleaning public lavatories and managing caretaking duties — "the list is seemingly endless."

In addition the DHSS has confirmed that all hospital services will be tendered by the end of 1966. The prospect of the GLC and Metropolitan Authorities being disbanded similarly presents opportunities for the group.

Gross profit in the year was up nearly £2m to £12.22m. Share of associates' losses rose from 57,000 to 5289,000 while interest and similar charges were held at 5982,000. Other interest

Minorities absorb £37,000 (£43,000) and there are extra-ordinary charges of £121,000 (£1,53m). This year they represent expenditure incurred and costs relating to mergers; last time the figure in respect of this expenditure came to £641,000 including that in connection with the unsuccessful attempt to merge with Sunlight Services; and there was deferred tax of £887,000 arising from changes in relief available on capital expenditure.



Mr David Evans, chairman of

profit and loss account in the year in which they are made. When the 15-month contribution of £800,000 from the roofing maintenance company. Four Seasons, is stripped out the core business comes down by about £4m. This confirms how hard times are in the UK cleansing sector and that overseas expansion takes time to pay off. In particular the now 25 per cent owned Saudi operation is losing heavily—£4m this time—and has an uncertain future. In the UK office cleaning (Exclusive) is stagnant and the health service contracts (Exclusive Health Care) have not been good enough to prevent the unit running at a loss. Hope for the future as far as local authority cleansing contracts are concerned depends on the Government green paper that would make tendering a statutory necessity becoming law but this is one year to 18 months off. The good news for Brengreen is that its first major local authority contracts is likely to be renewed this week—the bad news is that £4ling is losing money heavily. For the current year £34m pre-tax is being forecast by the analysts, which has the shares at 40p trading on a prospective p/e of just over 114—not cheap given the lack will be tendered by the end of 1966. The prospect of the GLC and Metropolitan Authorities being disbanded similarly presents opportunities for the group.

In the chairman's view there is also tremendous potential in the group's recent and complementary acquisition of the Four Setsons Roofing Group. Mr Evans believes the growth will standards of cleanliness at com-

Redundancy programme under way at PWS

By John Moore, City Correspondent

A redundancy programme is under way at PWS Inter-national, the insurance broker, Mr Malcolm Pearson, the group chairman told the group chairman, told shareholders yesterday at the annual general meeting. A few weeks ago PWS announced that its pre-tax profits for the year ended March 31 1985 were £1.73m, down £235,000 on the

previous year's figures.

When the group reported its figures it had said that unforeseen worsening of underwriting results in its Bermudian insurance subsidiary, Spectrum had meant that reserves provided for future losses earlier of \$350,000 had proved over-optimistic.

Mr Pearson said yesterday
that the situation at Spectrum
had not had time to change much, but he said that the group believed that the latest provisions of £360,000 have every chance of being

adequate.

Overseas he said that in New York steps taken to reduce expenditure meant that the office was now trading profitably. The Guernsey office, which replaced the group's Bermuda office, was trading on reduced

also trading on reduced outgoings.

"Having done what we can to eliminate excess expenditure overseas, we have been looking carefully at what can be done similarly in the UK," said Mr Pearson yesterday. He added that the insur-

day, He added that the insur-ance market's capacity was thrinking more rapidly than his group had anticipated and sterling was strengthening. "We have decided that not only can we eliminate some excess expenditure, but that it would also be prudent for us to concentrate on those

us to concentrate on those areas in which we are most specialised."

"Very regrettably, this means that we are making some redundancies in all departments. In particular, we are ceasing to handle direct business from the UK because we do not have a sufficient volume of it to allow us to service it profitably on our highly developed rein-

surance systems."

Mr Pearson said that the subsidiary company director in charge of UK direct busines was taking it to a private firm of specialist brokers in this area, Messrs Richard

Longstaff,

He said that the group had decided to reduce its contractors' "All Risk" service, "although we shall continue to handle our reinsurance account in this class." Mr Pearson said that he believed that the overall savings would allow the group to cut same 15 per cent off its expense budget in a full year "without materially affecting our income." He added that

the group's normal pattern of trading in the past had been training in the past had been to produce a loss at the half year, "even if we did not do so last year, because at the moment I expect again to be reporting a loss for the six months to September 30. NatWest U.S. surges

Second quarter net income of National Westminster, USA, the American subsidiary of the National Westminster Bank, rose from \$3.78m to \$14.24m (£10.32m approximately) lifting the figure for the first six months of 1985 to \$26.95m (£19.5m) against \$15.93m. As at June 30 assets total-

led \$8.9bn, compared with \$7.9bn a year earlier, while loans outstanding rose to \$5.8bn, an increase of 12 per cent from the second quarter 1984 level of \$5.2bn. Deposits increased substantially, from \$6.3hn to \$7hn, the directors state.

LADBROKE INDEX 938-942 (+9) Based on FT Index Tel: 01-427 4411



CRÉDIT D'ÉQUIPEMENT DES PETITES ET MOYENNES ENTREPRISES up to US\$200,000,000 **Guaranteed Floating Rate Notes**

Due 1996 For the six months
15th July, 1985 to 15th January, 1986
the Notes will carry an interest rate of
7½% per annum and Coupon amount of
U\$\$383-33 per U\$\$10,000 Note, payable
15th January, 1986 ankers Trust Company, London Fiscal Agent

iberpistas

U.S.\$18,000,000 Serial Floating Rate Mortgage Notes Due 1986 For the six month period 15th July, 1985 to 15th January, 1986 the Notes will bear an interest rate of 84% and a coupon amount of U.S.\$223.61 payable on 15th January, 1986. Bankers Trust Company, London Principal Paying Agent

May & Hassell cut back by £1m loss during second half

iss3-84 the group profit was iso-4m. Mr P. J. Atley, the group chairman, recalls his remarks at the halfway stage that the out look was hazy. "That haze hid a very stormy time," he says now Margins were eroded and exchange rates which fluctuated by as much as 25 per ceut made normal reselling prices impossible to attain. This was compounded by a 4½ per cent increase in interest rates.

Due in part to the long-lasting effects of the miners' strike and the severe winter, demand was not even up to the group's own pessimistic forecast and the resulting excess supply has led to a fall in imported prices in terms of external currencies.

The chairman says that results have also been hit by a £900,000 loss, after interest of £312,000 and group charges, suffered by Vic Hallam after what seemed an encouraging first half figure. While the plastics and hire divisions produced good returns, the steel and system building operations both incurred substantial losses. Both have been cut back and further retrenchment will follow to release land and buildings for disposal.

Timber frame manufacturing

ings for disposal.

Timber frame manufacturing has ceased following the consumer resistance to the product after adverse publicity. The performance of the joinery companies remains very good and most merchant outlets have done and the Atlant of the Shipping well, Mr Atley states. Shipping remains depressed.

A POOR trading environment on the timber side and substantial losses in steel and systems building operations have hit May & Hassell in the second half. The group incurred a loss of film and so reduced its profit for the year ended March 31 1985 to £81,000.

By the end of the year shareholders' funds had slipped from £22.28m to £21.82m, while borrowings had risen by £3.88m to £25.44m. The directors are in effect holding the dividend at 3.75p, the final being 2.15p—in 1983.84 the group profit was £3.04m.

Mr Atley says the very low value of stc/ling from November to February means that the year-end stock will produce lower margins than the company would wish in the first company would wish in the first few months; thereafter, realistically priced purchases should enable the company to make a satisfactory return.

Turnover last year rise from £79.2m to £86.17m, with most of the growth attributable to the inclusion of Vic Hallam for a full year for the first time—After tax £74,000 (£450,000) and minorities nil (£33,000), the net attributable profit was £7.000 (£2.63m) for stated earnings of 0.01p (27.9p).

comment

The five-year cycle in the timber trade has come close to laying May & Hassell low especially as it arrived at the same time as the leap in interest rates and the poor winter weather which reduced demand sharply. Subsidiary Vic Hallam failed to live up to its interim promise with a year-end loss arising from its steel and system building divisions. The latter was blighted by what may end up as an ill-advised move into contracting on the Falklands (the accommodation for the at the Mount Pleansant base). A host of upfront costs connected with the logistical problems of this contract are not good for with the logistical problems of this contract are not good for borrowings and the overstretching is not just geographical. At the year end the capital gearing was up to 177 per cent from 97 per cent and the prospects of reducing it by any significant amount over this year are slim. If weather, interest or currency run against May & Hassell then the hanks may be needed to the banks may be needed to help out. Bids seem unlikely for a company most of whose assets are timber; and a rights issue is difficult given strong family shareholdings. Optimists are looking for £1m pre-tax this year; the shares dropped 9p to

| - | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| BOARD MEETINGS | | | | | | | | |
| TODAY prims:—Alexanders Holdings, th Kidney Patient Association timent Trust, Domino Printing toes, Kellock Trust, Vantage rities. | FUTURE DATES Interimes:— Creacent Japan Invest Tst. Guest Keen and Neglefolds New Tokyo Investment Trust Trust of Property Shares Finals:— | _ | | | | | | |
| zis:—Biotechnology Investments, Bevan, Brunning, HAT, Howden p, Robert Kitchen Taylor, Mutti- Electronics, Normans, Reed utive, Straud Riley Drummond, | AAH BTS Herrburger Brooks Preedy (Alfred) Rexmore | July 2 July 11 Aug 11 July 2 July 11 | | | | | | |

| ies. | burger Brooks | July 18 July 18 Aug 15 July 23 July 19 July 19 July 19 |
|------|---------------|--|
|------|---------------|--|

MITSUI FINANCE ASIA LIMITED (Incorporated in the Cayman Islands)

US\$100,000,000. 121/4 % Guaranteed Notes Due 1992

NOTICE IS HEREBY GIVEN that pursuant to Condition 7(B) of the 121/2 per cent Notes, US\$1,200,000 principal amount of the Notes has been drawn, for redemption on 15th August, 1985, at the redemption price of 101% of the principal amount, together with accrued interest to but excluding 15th August, 1985.

The serial numbers of the 12%% Notes drawn for redemption are as follows:

| | 39 | 225 | 460 | 472 | 837 | 902 | 960 | 1044 | 1061 | 108 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|
| | 1244 | 1262 | 1418 | 1498 | 1561 | 1563 | 1575 | 1576 | 1604 | 170 |
| | 2050 | 2168 | 2286 | 2360 | 2404 | 2518 | 2525 | 2550 | 2668 | 269 |
| | 2712 | 3013 | 3042 | 3543 | 3569 | 3583 | 3709 | 3802 | 3861 | 421 |
| | 4256 | 4275 | 4370 | 4567 | 4663 | 4673 | 4811 | 4812 | 4841 | 485 |
| ı | 4890 | 4892 | 4986 | 5056 | 5099 | 5187 | 5227 | 5509 | 5629 | 671 |
| | 5807 | 5857 | 5888 | 5928 | 5941 | 6008 | 6063 | 6123 | 6139 | 617 |
| i | 6218 | 6334 | 6433 | 6451 | 6504 | 6547 | 6606 | 6637 | 6648 | 665 |
| | 6659 | 6792 | 6851 | 6908 | 6947 | 6993 | 7033 | 7057 | 7075 | 715 |
| | 7315 | 7337 | 7343 | 7434 | 7628 | 7642 | 7646 | 7659 | 7732 | 774 |
| 1 | 7763 | 7761 | 8093 | 8125 | 8190 | 8237 | 8255 | 8308 | 8608 | 877 |
| | 8864 | 8879 | 8926 | 8947 | 9228 | 9296 | 9421 | 9565 | 9640 | 973 |
| 1 | 9894 | 10036 | 10156 | 10363 | 10405 | 10717 | 10868 | 10909 | 10955 | 1096 |
| | 11064 | 11116 | 11144 | 11154 | 11177 | 11241 | 11268 | 11427 | 11484 | 1149 |
| 1 | 11543 | 11662 | 11765 | 11766 | 11806 | 11859 | 11947 | 12055 | 12155 | 1222 |
| ı | | | | | | | | 12973 | | |
| | 13078 | 13242 | 13529 | 13638 | 13651 | 13687 | 13688 | 13757 | 13845 | 1398 |
| i | 14024 | 14229 | 14244 | 14254 | 14310 | 14512 | 14530 | 14565 | 14593 | 1473 |
| | 14921 | 15049 | 15288 | 15372 | 15395 | 15412 | 15490 | 15497 | 15620 | 1563 |
| | 15707 | 15717 | 15781 | 16065 | 16238 | 16244 | 16282 | 16292 | 16532 | 1664 |
| 1 | | | | | | | | 17698 | | |
| ļ | | | | | | | | 18483 | | |
| 1 | 18755 | 18823 | 18829 | 18870 | 18886 | 18956 | 19004 | 19008 | 19013 | 1907 |
| | 19093 | 19111 | 19181 | 19236 | 19339 | 19467 | 19500 | 19582 | 19610 | 1979 |
| | | | | | | | | | | |

On 15th August, 1985, the said redemption price will become due and payable upon each Note to be redeemed, together with accrued interest from 20th February, 1985.to but excluding 15th August, 1985 amounting to US\$297.74 per US\$5,000 Note. On and after that date, interest on the said drawn Notes will cease to accrue.

Payment of the Notes to be redeemed will be made on or after 15th August, 1985 upon presentation and surrender of the said Notes, with all coupons appertaining thereto, at the office of the Paying Agents mentioned thereon. After 15th August, 1985 US\$80,550,000 principal amount of Notes will remain outstanding.

Mitsui Finance Trust International Limited Fiscal Agent

Granville & Co. Limited

8 Lovat Lane London EC3R 8DT Telephone 01-621 1212

Over-the-Counter Market

| | | | | | _ | | P/E | Ē |
|------|--------|-------------------------|-------|--------|-------|---------|---------|-------|
| H:ek | Low | C | | | Grass | | | Fully |
| 146 | 123 | Company | rnce | Change | | | Actual | |
| 151 | | Ass. Brit. Ind. Ord | 135 | _ | 6.6 | 4.6 | 7.6 | 8.9 |
| 77 | 135 | Ass. Brit. Ind. CULS | 138 | | 10.0 | 7.2 | _ | _ |
| | 44 | Auraprung Group | 44x | i — | 6.4 | 14.5 | 7.3 | 9.6 |
| 42 | 26 | Armitage and Rhodes . | 36 | _ | 2.9 | 8.1 | 4.5 | 7.5 |
| 158 | 108 | Bardon Hill | 157xc | i +2 | 4.0 | 2.5 | 19,9 | 20.7 |
| 64 | 42 | Bray Tachnologies | 54 | _ | 3.9 | 6.1 | 7.8 | 9.0 |
| 201 | 161 | CCL Ordinary | 162 | | 12.0 | 7.4 | 4.0 | 3.8 |
| 152 | 106 | CCL 11pc Conv. Pref | 105 | _ | 1B.7 | 14.9 | | _ |
| 130 | 10 | Carborundum Ord | 130 | _ | 4.9 | 3.8 | 6.4 | 10.7 |
| 88 | 83 | Carborundum 7.5pc PI. | 88 | _ | 10.7 | 12.2 | | |
| 73 | 46 | Deborah Services | 46 | _ | | 14.1 | 4.4 | 7.1 |
| 457 | 182 | Frank Horsell , | 457xd | | 1.4 | 0.3 | 11.7 | 15.0 |
| 385 | 170 | Frank Horsell Pr.Ord.87 | 360xd | -9 | 11.9 | 3.3 | 9.3 | 11.9 |
| 32 | 25 | Frederick Perker | 26 | | | - | - | |
| 65 | 33 | George Bielr | 65 | _ | _ | = | 4.4 | 8.7 |
| 50 | 20 | Ind. Precision Castings | 20 | _ | 2.7 | 13.5 | 5.5 | 5.9 |
| 218 | 177 | Isis Group | 180 | _ | 15.Ó | 8.3 | 7.1 | 12.9 |
| 124 | 101 | Jackson Group | 106 | _ | 5.5 | 6.2 | 7.1 | 7.1 |
| 285 | 213 | James Burrough | 235 | +1 | 15.0 | 6.4 | 7.4 | 7.4 |
| 93 | 83 | James Burrough 9pcPf. | 91 | ÷ż | | 14,2 | | |
| 95 | 71 | John Howard and Co | 89 | | 5.0 | δ.6 | 7.1 | 11.1 |
| 225 | 100 | Linguaphone Ord | 214 | _ | | <u></u> | 7.9 | 8.2 |
| 100 | 92 | Linguaphone 10.5pc Pf. | 94 | _ | | 18.0 | <u></u> | - 6-2 |
| 650 | 300 | Minihouse Holding NV | 800 | | 6.9 | 1.1 | 26.2 | 24.9 |
| 120 | 31 | Robert Jenkins | 66 | | 5.0 | 7.6 | 20.2 | |
| 60 | 28 | Scruttons "A" | 33 | _ | | <u></u> | = | 8.5 |
| 52 | 61 | Torday and Cartisia | 75 | _ | 5.0 | 6.7 | 3.8 | 6.9 |
| 444 | 325 | Trevian Holdings | 325 | _ | 4.3 | 1.3 | 18.5 | 18.2 |
| 30 | 17 | Unilock Holdings | 30 | | 1.3 | 4.3 | 14.8 | 21.0 |
| 104 | 81 | Walter Alexander | 103 | | 7.5 | 7.3 | 7.7 | 11.1 |
| 247 | 215 | W. S. Yestas | 220 | _ | 17.4 | 7.9 | 6.3 | 10.8 |
| P. | ices : | and despite of eachers | | | | | | |

Prices and details of services now available on Prestal, page 48148

Reebok's show sharp

increase By Martin Dickson

results

Pentiand Industries has announced a further sharp in-crease in the turnover and profits of Reebok International, the U.S. plans to float at the end of this month. athletic shoe subsidiary which it

The figures were given in a revised preliminary prospectus for the flotation filed with the U.S. Securities and Exchange

This shows that in the six months to June 30, Reebok in the U.S. and its UK offshoots had the U.S. and its UK offshoots had a combined turnover of \$105.2m (£80.3m), which compared with \$20.6m in the same period of 1984 and \$56.6m in the first four months of 1985. Pre-tax profits totalled \$23.3m, against \$2.8m in the first half of 1984 and \$12.7m in the first four months of this year.

Reebok is a 55 per cent owned Reebok is a 35 per cent owned subsidiary of Pentland, but new shares to be issued in the flotation will dilute its stake to around 47 per cent and a fundraising sale of shares will bring the stake down to about 43 per

The SEC document shows that in the first half Reebok profits attributable to Pentiand totalled £4.94m, against £540,000 in the same period of 1984.

The offering of shares in the U.S. is expected to start on July 30 and close on August 6. The price of the offer has yet to be fixed but it is expected to give Reebok a market capitalisation of SUNLIGHT SERVICE Group

over \$200m.
Shares in Pentland yesterday rose 22p on the day, to close at 270p ex capitalisation.

SERVICE Group had 3.22m shares (about 89.37 per cent) of its rights issue taken up by 3 pm on July 10, 1985.

George Deaint. Cellis & Everard

Evode up 20% at £1m despite roofing loss

And in view of the group's need to improve the return to shareholders the directors are lifting the interim dividend from expected and at the end of the 0.81834p to 0.94p net, an increase of some 15 per cent.

Mr Andrew Simon, the chair-analysis of the first condition of the first eight months later than a linterest charges for the first eight months later than 0.81834p to 0.94p net, an increase of some 15 per cent. Mr Andrew Simon, the chair-

only around 20 per cent of capacity.

Mr Andrew Simon, the chairman, who with members of the family owns some 42 per cent of the group, declined to give a dividend forecast. However, in the recent past Evode has followed interim increases with rise of at least as much in the final—last year a final of 1.9872p (1.728p) was paid from taxable profits of £2.31m (£2.53m).

For the 26 weeks to March 30.

Approach to

Noble & Lund

Corre- Total sponding for it div. year 0.7 1.4

6.5

div. 0.7 2.3 3.64* 0.82 2.55*

1.63 1 1.5

Noble & Lund, the Gateshead

DESPITE somewhat patchy demand in certain activities during the second quarter the Evode Greup saw its pre-tax profus for tax level ran up a loss of the opening six months improve the opening six months improve by some 20 per cent.

And in view of the group's need to improve the return to shareholders the direction of the suild-following the implementation of the build-following the implementation of the first stage of rationalisation. The second stage, currently being carried out, will not affect purchasing power to get prices profits until the next financial severely squeezed, not least by severely squeezed, not least by the concentration of the build-following the first stage of rationalisation. The second stage, currently being carried out, will not affect purchasing power to get prices and sealants severely squeezed, not least by the concentration of the build-following the first stage of rationalisation. The Tekurat roof insulation following the implementation of the suild-following the first stage of rationalisation. The second stage, currently being carried out, will not affect purchasing power to get prices down. Evode is doing its best profits until the next financial severely squeezed, not least by the concentration of the build-following the implementation of the first stage of rationalisation. The Tekurat roof insulation profits until the next financial severely squeezed, not least by the concentration of the following the implementation of the first stage of rationalisation.

The Tekurat roof insulation division improved its turnover by sector increased sales and profits the concentration of the following the implementation of the first stage of rationalisation.

The Tekurat roof insulation severely squeezed, not least by the concentration of the first stage of rationalisation.

The adhesives and sealants severely squeezed, not least by the concentration of the first stage of rationalisation.

The adhesives and sealants severely squeezed, not least by the concentration of the first stage of ration

profits of £2.31m (£2.53m).

For the 26 weeks to March 30, 1985 turnover pushed ahead from £24.95m to £31.14m and profits before tax from £910.507 to £1.1m—the group manufactures adhesives and jointing compounds.

Roofing: the remainder have been closed down.

In the paints and plastics division there was a substantial increase in profitability with first-time contributions from worralls and Carters both of which performed satisfactorily.

encouraging but the group is clearly not out of the woods yet. Its fundamental problem is that it is heavily dependent on the building industry in its broadest sense, and this is not true of the more histories.

cost-cutting and concentration on the more profitable lines, but the danger is that they will be as quickly eroded in the attempt as quickly eroded in the attempt to maintain volume against competitors. Better prospects for profits growth seem to lie in the Tekurat Insulations plant, which is now operating at 65 percent of capacity. The roofing business in any case is seasonal and will have a much better second half. Paints and plastics is looking strong the one fly in the ointment here being the Irish operations which are Irish operations which are unlikely to improve in the short term. For the full year, £3m is probably realistic. The shares probably realistic. were down 3p at 112p yesterday.

which has them on a prospective one of the more buoyant sectors which has them of the economy. Margins are p/e of about 9.

Bowater's £5m Butterfield deal

Noble & Lund, the Gateshead-based engineer and machine tool maker, said yesterday that it had received an approach which might lead to a recom-mended offer for the company. Noble shares closed following the news at 25p, up 5p on the day, giving the company a market capitalisation of £1.4m. Results released in March Results released in March showed that the company turned round from a £570,000 loss in 1983 to a £59,000 profit last year.

Bowater Industries has paid new ordinary shares.

55.1m for Harcostar; the drum manufacturing subsidiary of over earlier this year by Techengineering group Butterfield.

Harvey.

Bowater Drums and Harcostar have separately in recent years developed the UK market for blow-moulded plastic drums of up to 220 litres as licensees of holders in the group who wished Mauser Werk of West Germany.

Bowater paid \$4.07m for pany said it was aware that a harcostar and also took on fil.03m of the company's loan to sell their stakes but had been stope for the holders of up to 250 ordinary shares and 500 ordinary shares to realise the whole of their holdings, which would be aggregated and sold on the Stock Exchange in blocks.

The net proceeds would be distributed to the vendors less 2 per cent toward expenses.

Of the company's 37.188 ordinary shares and represent only 2.5 per cent of the shares in issue. Similarly, out of 2,803 preference shareholders. stock held by Butterfield-Harvey. deterred by the cost of disposal. of 2,803 preference shareholders.

Bowater has financed the cash It had therefore decided to 2,049 hold 500 or fewer, under acquisition by the issue of 2m introduce a once-only oppor-

7 per cent of the total in issue.

Low & Bonar has 25% of Cole

BY ANDREW ARENDS

Low & Bonar, the Dundeebased packaging, engineering, launch a full bid, for Cole, which is currently fighting off a £8m purchased a further 299,000 all share bid from Hartons, a USM quoted distributor of ties manufacturer, increasing its plastics. stake from around 15 per cent to just under 25 per cent.

plastics.

Mr Ja being the

stake from around 15 per cent to just under 25 per cent.

Low & Bonar has been building up its stake in Cole for the last few weeks.

Mr Roland Jarvis, Low & Bonar had picked up its latest block of Bonar's chief executive said yesterday that the Cole stake was reday the cole stake was reday the cole stake was reday that the cole stake was reday to the co

15th July, 1985

day that, The Scottish American Investment Company disposed of its 10.17 per cent holding in Cole, also on Friday. Cole shares closed last night up 7p on the day at 225p valuing the company at £6.75m, yesterday Low & Bonar shares closed unchanged at 245p.

IRELAND U.S.\$50,000,000

Floating Rate Notes due July 1992 rdance with the provi In accordance with the provisions of the Notes, notice is hereby given that for the six months interest period from 16th July, 1985 to 16th January, 1986 the Notes will carry an interest rate of 83 per cent per annum. The relevant Interest Payment Date will be 16th January, 1986 and the Coupon Amount per \$500,000 will be \$21,402.78.

be \$21,402.78. Bank of Tokyo

uncement appears as a matter of record only.

Marubeni Finance N.V.

U.S. \$100,000,000 Zero per cent. Guaranteed Bonds 1995

> unconditionally and irrevocably guaranteed by The Fuji Bank, Limited

> > Issue price 39.15 per cent.

Nomura International Limited Kidder, Peabody International Limited

DIVIDENDS ANNOUNCED

Sept. 26 Aug. 27 Sept. 12 Oct. 3 Oct. 16

Aug. 27

Dividends shown pence per share net except where otherwise stated. Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquistion issues. ÞUSM stock. § Unquoted stock. ¶ Final of 4.2p forecast.

Current

..ipt. 2.3

..... 0.75

NEW ISSUE

Fuji International Finance Limited Kleinwort, Benson Limited

Bank of Tokyo International Limited

Algemene Bank Nederland N.V. Citicorp Investment Bank Limited Daiwa Europe Limited **IBJ** International Limited Morgan Stanley International Okasan International (Europe) Limited Swiss Bank Corporation International Limited Union Bank of Switzerland (Securities) Limited

Banque Paribas Capital Markets Crédit Commercial de France Dresdner Bank Aktiengesellschaft Morgan Guaranty Ltd The Nikko Securities Co., (Europe) Ltd. Salomon Brothers International Limited The Taiyo Kobe Bank (Luxembourg) S.A.

Yamaichi International (Europe) Limited Yasuda Trust Europe Limited

Triplex checked by building side

A DOWNTURN from £909,000 to £294,000 in the building components sector of Triplex more than offset improvements made in the foundries and engineering divisions and left the taxable figure for the year ended March 31 1935 behind at £620,000.

Mr Lewis Robertson, chairman, reporting on the "second full year of strenuous recovery," says the year's result, although lower, was a "solid profit" but it did not do justice to a further year of substantial improvement and progress.

In the 1962-83 year, including redundancy costs of £417,000, the group suffered a pre-tax loss of £992,000.

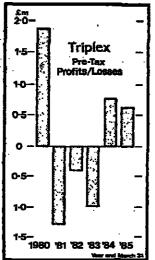
The foundries sector rose from

£992,000.
The foundries sector rose from £321,000 to £471,000 for the year, while the engineering side rose by almost 125 per cent to £437,000 (£195,000), and the directors confidently expect further improvements in the

current year.

Borrowings were reduced to £4.2m at the year end (£5.1m)—they were at their peak in 1983 at virtually £7m—while shareholders' funds stood at £5.1m (£4.4m). Gearing improved to 82 per cent, compared with 116 per cent a year earlier.

Having regard to a slowly improving balance sheet and to the prospects of recovery in 1985-85, the dividend has been share.



Mr Lewis Robertson, chair-man of Triplex

major operational problems of the group have now been tackled. The foundry operations have been transformed, and there is further benefit to come, while the engineering companies have been streamlined and are beginning to show the benefits. the prospects of recovery in 1985-88; the dividend has been lifted from 0.5p to 0.75p per share.

Mr Robertson says that the Building components sector faced considerable difficulties during the year, but is responding well to positive management action, the chairman states.

Mr Robertson explains that the high operating figure of the previous year reflected a combination of favourable circumstances. The adverse swing this time was a consequence in part of the reversal of these same circumstances. reversal of those same circumstance, compounded by VAT

changes.

External sales dipped from £28.17m to £26.71m with the cost of sales taking £21.02m (£21.65m). Gross profit of

distribution costs of £1.58m (£1.59m) and administrative expenses, £2.91m (£3.5m), and the pre-tax figure was after lower interest charges of £582,000 against £649,000.

comment Triplex may have come back from the dead, but it is not yet fighting fit, as these figures demonstrate. The collapse in profits from the building components division was due in part to changes in VAT and to a general charge of large ponents division was due in part to changes in VAT and to a general shortage of large contracts which were beyond the company's control; however, the extent of the damage was disappointing and does not inspire much confidence for the future. Conditions in the double glazing market are expected to remain tough this year, and despite a pick up in the order book at Hinchliffe the division will not make as much as it did in 1983-84. Meanwhile further small improvements can be expected in the new lean foundries division and from the remaining engineering companies. Gearing should continue to fall by a further 20 per cent or more this year, barring a rights issue or the acquisition that the company hints could be up its sleeve. After a lower interest charge, pre-tax profits may be £1.1m, which, with no tax payable, would make for a p/e of 3, with the shares at 36p. That is not too demanding by anyone's standards.

Substantial margins increase at Sekers

SIGNIFICANT improvements in gross margins have contributed to a healthy increase in 1984 85 profits at Sekers International, maker of furnishing and upholstery fabrics.

While turnover rose by 19 pet cent to £18.28m (£15.35m), operating profits for the year to March 31 were up by 78 per cent from £1.08m to £1.92m.

After interest charges of £588,000 (£534,000), pre-tax figures came through 144 per cent higher at £1.33m, against £545,000. The directors say the results repr-sent further evidence that the expensive and painful changes which have been effected in recent years are now bearing fruit.

bearing fruit.
With stated net earnings per
10p share ahead from 5.03p to
8.88p, the final dividend is raised to 1.49 net for a total payment up from 1.25p to 2p per share.

Tax took £463,000 (£52,000) giving an attributable balance of £588,000, against £193,000 which was after an extraordinary charge of £300,000 for redundance and recognization extra

ingly overseas.

The slik menswear companies continued their sales growth, both in the home market and overseas. The development of new export markets has been a major feature in this growth. major feature in this growth.

Yorkgreen holders asked to accept bid

The independent directors of Yorkgreen Investments, the in-dustrial holding company yesterday called on its remaining shareholders to accept the offer from Talbex, another holding company, which has already gone unconditional.

gone unconditional.

The Yorkgreen directors, who together hold 8.7 per cent of Yorkgreen shares, said they had accepted the offer and they added it was not in other share-holders' interests to remain as minority shareholders. Yorkgreen and Talbex share a common chairman in Mr David Green.

Ratners continues recovery with £2m open a further 20 Terry's branches before Christmas, which will increase the group's total number of outlets to 180. The full purchase consideration for Terry's (which retails popular priced jewellery) has been paid as its performance was up to expectations for 1984.55

IN A busy year which witnessed the acquisition of Terry's (Jewellers) and the disposal of the ophthalmic opticians business, the Rainers (Jewellers) group has continued the recovery started in 1983-84.

For the year ended April 6, 1985 turnover has expanded from £27.6m to £32.3m, and the profit before tax was doubled to £2.14m. The year before the group was in loss.

NGS

to the same by

GIALL A

'45 Due 1**%**

1. 12.00

30.7571

1. 12. CMC

100

 $\gamma_{ij}:=\sigma_i^{ij}(I)$

A STATE

الم السورة

4 hr

And as to the current year, the directors look forward with optimism to a satisfactory outcome, given the present level of business and trading prospects. Mr Gerald Ratner, managing director and chief executive, says the new merchanting and marketing strategles introduced in the second half of last year have benefited the trading per-formance significantly in the current year. And plans are to

National Westminster comment **Bank PLC**

loss-making retailer, and the results after a slight disappointment at the interim stage are now coming through as the theory would suggest. The policy has been to close down fringe

activities, by getting rid of the Dutch operation, cutting back on manufacturing and selling the opticians business; to change the product lines in favour of a sharper, more fashionable and cheaper ranges and to expand according to the parallel expansion formula by opening new branches of Terry's. There is still a good deal more to be gained from this new direction. Sales are now a quarter higher than are now a quarter higher than this time last year and with overheads fixed, much of that should fall through to the bottom line. Stock is being turned over faster, so that despite the payment made for Terry's croup horrowings. so that despite the payment made for Terry's, group borrowings are lower than last year. The plan is now to become the largest jeweller in the country, and if Ratners can make £3.5m this year, the gap between it and Samuel will start narrowing dramatically. On that forecast, and after a 37 per cent tax charge, the shares at 80p are on an earnings multiple of 12, which seems low by sparkling retail

COMPANY NEWS IN BRIEF

CLARKE NICKOLLS AND taneously with the 11 per cent COOMBS is selling Tom Smith, stock.

Christmas cracker and carnival novelty maker, to Hovells for film cash. For 1984 Smith incurred pre-tax losses of £67,000 gated board packaging maker, for £320,000 cash. Net assets of follows Stormgard's announcement that its offers for Selingular and Court are wholly unconditional. with tangible assets at the year end of £1.98m. Clarke and Rown-tree Mackintosh each own 50 per cent of Smith.

subject to an adjustment up to a maximum of £2m on pre-tax profit performance. Audit for the year ended December 27, 1984, has been completed and the second and final payment has fallen due, which will be satisfied by shares.

AE is to submit to the holders of the outstanding £4.5m of 11 per cent debenture stock 1991-96, a proposal for the early redemption of the stock at par. In addition, AE intends to redeem at par, the £1.973,322 of 64 per cent debenture stock 1980-85 and the £108,662 of 74 per cent debenture stock 1980-85 currently outstanding. The other stocks, which are otherwise due for final redemption on Sentember 30. AE is to submit to the holders redemption on September 30, 1985, will be redeemed simul-

end of £1.98m. Clarke and Rowntree Mackintosh each own 50 per
cent of Smith.

SECURIGUARD is paying an
extra £250,0000 on the acquisition, aunounced last February.
of Consolidated Safeguards.
Initial consideration was £1.75m
subject to an adjustment up to a
maximum of £2m on pre-tax
profit performance. Audit for
the year ended December 27,

been acquired. been acquired.

ment that its offers for Selin-court are wholly unconditional.

CONSULTANTS (Computer & Financial) has acquired the New York based banking software specialist Ultimate Data Systems (UDSL). Costs will be satisfied by the issue of shares in CCF, the number of which will depend on UDSL's performance. Based on projected pre-tax profits for the two years ending June 30 1987 of \$225,000, con-sideration will amount to 120,000 CCF shares.

DDT Group and CPU Computers bar Group and CPU Computers have reached agreement for DDT to acquire from CPU and its wholly-owned subsidiary LSI Computer Ancillaries the whole of the share capital of Haradash, which has been specifically formed for this transaction. Haradash has acquired the business of LSI's systems maintenance operation. The considerais about £2m, to be satisfied by 1.49m new ordinary 5p shares in DDT, to be placed at 125p each.

Tace expanding in U.S. with £7m acquisition

BY RICHARD TOMKINS

TACE, a manufacturer of metal detection and precision measurdetection and precision measuring equipment, is to buy Anderson Instruments, a leading U.S. maker of air pollution monitoring equipment, for \$9.52m (16.9m). The acquisition will be partly financed through a one-for-nine rights issue.

At the same time Tace reports a pre-tax profit of £1.33m in the six months to March 31 against £1.02m last time.

Earnings per share fell to 7.7p (8.1p) following a Sharply higher tax charge of £593,000 (£321,000). The increase is caused by an exceptional tax credit of £188,000 in 1984. Minorities also rose to £249,000 (£181,000).

Anderson's operating profit in

Anderson's operating profit in the year to January 31, after interest but before expense items and tax, was £2.63m. This was before charging £420,000 for the amortisation of intangible fixed assets of businesses previously acquired.

half pre-tax profits to £1.25m (£943,000).

Anderson supplies air pollution monitoring and sampling equipment to government and industry in the U.S. It also exports 20 per cent of its products.

Tace saiys Anderson is a progressive organisation with an excellent range of products in an area of increasing international concern, and the acquisition will strengthen the group considerably.

The three months ending April
30 showed a net profit of £570,000
before charging £11,00 amortisation. Anderson's net assets at the end of April were £2.2m.

Tace say its 1984 earnings would have increased by more than 50 per cent calculated on a proforma basis incorporating in the proposed methods of funding.

Comment
Tace's acquisition of Anderson will mark the group's metamorphosis from a two-lagged animal into a pretty healthy-looking three-legged one. The Goring Kerr metal detecting substidiary is developing extremely well: it has just come up with two potentially money-spinning detectors, one of which enables metal to be found within products wrapped in foil and charge of £300,000 for redundancy and reorganisation costs.

Net assets per share showed an increase from 49.4p to 56.28p at the year end.

All the manufacturing companies within the group are operating with full order books, and the worldwide demand for its products remains high.

The group's turnover is derived not only from its traditional markets, but from the establishment and consolidation of new markets—these markets ingly overseas.

before charging £11.00 amortisation amortisation and before charging £11.00 amortisation a pretty healthy-looking three-legged one. The Goring three-legged one what is in any case an expanding three-legged one. The Goring three-legged one one three phosis from a two-lagged animal into a pretty healthy-looking three-legged one. The Goring three-legged one. The Goring three-legged one. The Goring three-legged one. The Goring three-legged one one three phosis from the takeover will enhance their prospects for growth in into a pretty healthy-looking three-legged one. The Goring three-legged one. The Goring three-legged one one three phosis from the takeover will enhance their prospects for growth in into a pretty healthy-looking three-legged one. The Goring three-legged one one three legged one one one three phosis from the takeover will enhance their prospects for growth in into a pretty healthy-looking three-legged one. The Goring three-legged one one one three phosis from the takeover will enhance their prospects for growth in the growper phosis from the valley on

per cent stake in Goring Ketr, a Tace subsidiary, for £3.2m, and through a one-for-pine rights issue at 425p a share which will raise £2.9m after expenses.

Tace's sale of 600,000 shares in Goring Kerr will reduce its stake in the company from 62.5 per cent to 52.5 per cent. Goring Kerr is a listed company which was floated off by Tace two years ago. Last week it announced an increase in first half pre-tax profits to £1.25m (£943,000). tronic digital measuring instruments has been extended with a new model which can measure down to one ten thousandth of an inch. The development of these subsidiaries is responsible for a slightly disappointing result: some forecasters had expected something nearer £1 5m but the write-off on development costs has dampened the interim figure. The new acquisition blends excellently with Tace's existing interests, and particularly with Goring Kerr: both are in the pollution control business and the synergy resulting from the takeover will enhance their prospects for growth in



The Hongkong & Kowloon Wharf & Godown Company, Limited

Group Results For The Financial Year Ended 31st March, 1985

● The Group successfully acquired Wheelock Marden and Company Limited at a cost of approximately HK\$2.5 billion which has been financed partly from internal resources and partly from available banking facilities. It is anticipated that the Group will be able to pay off these bank borrowings in full from internally generated revenue in about 3 years time.

● The Group profit attributable to shareholders after tax and before extraordinary items amounted to HK\$498.4 million, compared with HK\$428.9 million on an annualised basis for the previous year, an increase of

●Earnings per share improved by 16.3 per cent from 27.5 cents on an annualised basis in the previous year to 32.0 cents per share. Extraordinary earnings amounted to HK\$6.7 million.

● A final dividend of 14.0 cents per share is proposed which will result in a total dividend of 21.0 cents per share for the year. If approved, the final dividend will be paid on 24th September, 1985.

● Substantial property holdings and cash funds (over HK\$1,800 million) of the

Wheelock Marden group further strengthen the group as one of the leading property companies in Hong Kong.

● At the present time, Harbour City/Ocean space and residential accommodation are 98 per cent, 92 per cent and 99 per cent let.

Ocean Terminal was promoted during the year as an ideally located exhibition venue and six major exhibitions have already been contracted for 1985 with others being negotiated.

● All divisions of the Group posted increased returns during the financial year as the downturn in the property market and political uncertainty subsided with a notable increase in economic activities in Hong Kong.

Group's property portfolio and activities in the various sectors will further enhance the considerable recurrent earning base, the vast liquid funds currently under active management will place the Group in an excellent position to continue to seek attractive investment opportunities both in Hong Kong and overseas.

Twelve months ended Summary of Results Fifteen months 31st March 31st March 1985 HK\$M 1984 HK\$M Group profit before taxation Taxation 592.0 637.0 51.4 53.0 Group profit after taxation Minority interests 584.0 540.6 <u>47.9</u> 536.1 242<u>.2</u> Group profit before extraordinary items 498.4 Extraordinary items 6.7 778.3 Group profit after extraordinary items Earnings per share, before extraordinary items 34.4 cents 32.0 cents (Equivalent to annualised basis) 22.4 cents Dividends per share <u>21.0 ceuts</u> (Equivalent to 17.9 cents on an

The Ordinary General Meeting of Members of the Company is convened for Monday, 16th September, 1985 at 12.00 noon.

The Register of Members of the Company will be closed from 9th September, 1985 to 16th September, 1985, both days inclusive. By order of the Board, World-Wide Secretaries Limited

Hong Kong, 10th July, 1985.

NOTICE OF REDEMPTION

General Motors Overseas Finance N.V.

To the Holders of

83/4 % Guaranteed Debentures Due 1986

NOTICE IS HEREBY GIVEN to the holders of the outstanding 83,5% Guaranteed Debentures Due 1986 of General Motors Overseas Finance N.V. (the "Company") that, pursuant to the provisions of Article Three of the Indenture dated as of August 15, 1971 between the Company and Morgan Guaranty Trust Company of New York (the "Trustee") and the form of said Debentures, the Company intends to redeem on August 15, 1985 all of its outstanding Debentures at a redemption price equal to 100% of the principal amount thereof.

Payments will be made on and after August 15, 1985 against presentation and surrender of Debentures with coupons due August 15, 1986 attached in U.S. dollars, subject to applicable laws and regulations, either (a) at the office of the Trustee in New York City. or (b) at the main offices of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt am Main, London, Paris, and Zurich, the main offices of Credito Romagnolo S.p.A. in Milan and Rome, the main office of Bank Mees & Rope N.V. in Amsterdam, and the main office of Banque Generale du Linxembourg S.A. in Luxembourg. Payments at the offices referred to in (b) above will be made by a dollar check drawn on a dollar account, or by transfer to a dollar account maintained by the payee, with a New York City bank.

Debentures surrendered for payment should have attached all unmatured compons pertinent thereto. Coupons due August 15, 1985 should be detached and collected in the usual manner. From and after August 15, 1985 should be detached and collected in the usual manner.

From and after August 15, 1985 should be detached and collected in the usual manner. From and after August 15, 1985 should be account to the content of the co

thereon shall cease to accrue.

Any payment made within the United States, including a payment made by transfer to an account maintained by the payee with a bank in the United States or by a dollar check drawn on a bank account in the United States, may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipients fail to provide the paying agent with an executed IRS Form W-8, certifying under penalties of perjury that the payee is not a United States person or an executed IRS Form W-9 certifying under penalties of perjury the payee's taxpayer identification number (employer identification number or social security number, as appropriate). Those holders who are required to provide their correct taxpayer identification number on IRS Form W-9 and who fail to do so may also be subject to a penalty of \$50. Please therefore provide the appropriate certification when presenting your securities for payment.

CENERAL MOTORS OVERSEAS FINANCE N.V.

GENERAL MOTORS OVERSEAS FINANCE N.V.

By: Morgan Guaranty Trust Company OF NEW YORK, Trustee

Dated: July 9, 1985

QUADREX SPECIAL SITUATIONS N.V.

NatWest announces that

with effect from

its Base Rate

is decreased from

12.50% to 12.00% per annum.

All facilities (including regulated consumer credit

agreements) with a rate of interest linked to

NatWest Base Rate will be varied accordingly.

41 Lothbury London EC2P 2BP

Tuesday, 16th July, 1985,

Notice is hereby given that an Annual General Meeting of the Shareholders of QUADREX SPECIAL SITUATIONS N.V. will be held at the office of the Company, De Ruyterkade 62, Curaceo, Netherlands Antilles, on August 7, 1985, at 10:00 hours (local time) for the purposes of:

1. Considering and approving the financial statements of the Company for the fiscal year ended December 31, 1984 and determining whether a dividend should be paid:

1984 and determining whether a dividend should be paid:
Approving, ratifying and confirming the recurn from surplus capital (without using coupons and without using the facilities of the paying agent) of U.S. \$7,177,485 of capital to the holders of the registered and bearer Class B shares of Capital Stock of the Company (equal to U.S. \$281,47 per share). (all as previously adopted and approved by the Managing Director of the Company on May 7, 1985);
Approving, ratifying and confirming the actions taken by the Managing Director of the Company in connection with the offer for the whole of the share capital of R. P. Martin p.L. (the "Offer") by Quadrex Holdings Limited. a wholly-owned subsidiary of Quadrex Holdings (Curacao) N.V. and the Company:
Approving, ratifying and confirming the delivery by the Company of 1,000,000 ordinary £1 shares in Quadrex Holdings (Curacao) N.V. as part of the restructuring of the holdings of shares in Quadrex Holdings Limited to Quadrex Holdings (Curacao) N.V. as part of the restructuring of the holdings of shares in Quadrex Holdings Limited (all as previously adopted and approved by the Managing Director of the Company on May 7, 1985):
Approving, ratifying and confirming a Management Agreement, dated as of September 19, 1984, as amended effective as of May 8, 1985, between the Company and Quadreconomics A.G.:
Approving and adopting an amendment to Article 10. Paragraph 1 of the Articles of Incorporation of the Company such that notice of general meetings of shareholders of the Company shall be required to be published only In a newspaper of general meetings of shareholders of the Company shall be required to be published only In a newspaper of general circulation in Curacao and in Luxembourg; and

in Curação and in Luxembourg; and
7. Transacting such other business as may properly come before the meeting.
Holders of bearer shares wishing to exercise their rights at the meeting may deposit their shares with Kredietbank S.A. Luxembourg or at any other bank which is acceptable to Kredietbank S.A. Luxembourgeoise, not later than 17:00 hours (local time) on August 2, 1985 against receipt thereof, which receipt will entitle said shareholders to exercise such rights. Holders of bearer shares may vote by proxy by mailing Holders of bearer shares may vote by proxy by mailing a form of Proxy and Cerdificate of Deposit for their shares. obtained from Kredietbank S.A. Luxembourgeoise, or any other bank that is acceptable to the aforesaid bank to Kredietbank S.A. Luxembourgeoise, 43 Boulevard Royal 2955. Luxembourg,

Luxembourg.

Holders of registered shares may vote by proxy by means of a form of Proxy, obtained and filed in the manner described

In the preceding sentence.

Proxies and/or Certificates of Deposit must be received by Kredletbank S.A. Luxembourgeoise not later than 17:00 hours (local time) on August 2, 1985 in order to be used at the

From July 16, 1985, until the date of the meeting, copies of the following documents will be available for inspection by shareholders of the Company at Kredietbank S.A. Luxembourgeoise, 43 Boulevard Royal-2955, Luxembourg. Luxembourg: (i) the relevant resolutions adopted by the Managing Director of the Company regarding items 2, 3 and 4 of the meeting's agenda; (ii) the financial statements of the Company for the financial statements of the Company for the financial statements of the Company for the agenda; (ii) the mancral statement of the Company for the fiscal year ended December 31, 1984; (iii) the Management Agreement, dated as of September 19, 1984, as amended effective as of May 8, 1985, between the Company and Quadreconomics A.G.; and (iv) a memorandum from Quadreconomics A.G. to the Company regarding the Offer. Curacao, July 16, 1985

up to expectations for 1984-85.
Ratners continues to share in the Ratners continues to share in the fortunes of the opticians business through concession agreements.

After tax £305,000 (£307,000) the net profit for 1984-85 came out at £1.33m (£76,000). This equalled earnings of 4.44p (2.56p) per share, and members receive a final dividend of 1.83p to lift the total from 2.3p to 2.5p, costing £762,000 (£683,000).

Ratners' new managing director is acting out the textbook example of how to turn round a

seems low by sparkling retail standards.

GEORGE DEW has an unchanged interim dividend of 2.3p despite boosting taxable profits from £10,000 to £473,000 for the half year ended April 28, 1985. Turnover of this civil engineer improved slightly from £15.8m to £16.24m, but with a low order book the directors feel that turnover for the 12 months will show over for the 12 months will show a reduction. Earnings per share at midterm expanded from 1.3p to 4.5p after tax of £116,000 (£93,000 credit).

SELINCOURT and its advisers have held discussions with the board and advisers of Stormgard,

SECURITY INDUSTRY

is proposing to publish a survey on the

on Tuesday 10th September, 1985 Advertising copy date for this survey is Tuesday 21st August 1985

The survey will cover the rapid growth of the Security Industry over recent years as the need to increase the protection of property has grown

Electronic Alarms Equipment

Locks, Safes and Vaults Patrolling, Guarding and Key Holding Cash in Transit

Security Printing

Security Consultancies

The Insurance Industry

Computer Fraud

For a full editorial synopsis plus details of advertising rates, contact:

William Clutterbuck, Advertising Department Financial Times, 10 Cannon Street, London EC4P 4BY Telephone: 01-248 8000 Ext 4148

The content, size and publication dates of surveys in the Financial Times are subject to change at the discretion of the Editor



International Bank for Reconstruction AND DEVELOPMENT

Issue on a yield basis of £100,000,000 LOAN STOCK 2010

payable as to £30 per cent. on application and as to the balance by January 24, 1986 with interest payable half yearly on March 24 and September 24 with the first such payment on March 24, 1986

County Bank Limited Samuel Montagu & Co. Limited **Hambros Bank Limited** Morgan Grenfell & Co. Limited

Baring Brothers & Co., Limited Hill Samuel & Co. Limited N. M. Rothschild & Sons Limited

Kleinwort, Benson Limited J. Henry Schroder Wagg & Co. Limited Lazard Brothers & Co., Limited S. G. Warburg & Co. Ltd.

Application has been made to the Council of The Stock Exchange for the £100,000,000 Loan Stock 2010 (the "Stock") to be admitted to the Official List for quotation in the Gilt-edged market-The Stock will be available either in registered form, transferable in multiples of one penny or, at the option of the holder, in bearer form, represented by the available either in registered form may be exchanged for Bearer Bonds and vice versa at any time after February 14, 1986. Renounceable allotment letters (partly paid) in respect of the Stock will be despatched on July 24, 1985 subject to clearance of applicants' remittances and allotments. Stock Certificates in respect of Stock in registered form and Bearer Bonds in respect of Stock in bearer form will be despatched on February 14, 1986 provided that the balance of the moneys payable has been duly paid.

No person is authorized to give any information or to make any representation not contained herein or in the Extel Certificates in respect of Stock in any jurisdiction to any person to whom it is unlawful to make such an offer to sell or solicitation of an offer to buy the Stock in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

The application list will open at 10.00 a.m. on Thursday July 18, 1985 and will close later the same day.

INFORMATION RELATING TO THE ISSUE

Determination of Issue Yield, Rate of Interest and Issue Price

The Stock will have attached such rate of interest and be issued at such price as will result in the Stock having a Gross Redemption Yield equal to the Issue Yield as determined on the basis described below.

The Issue Yield shall mean the sum of 0.45 per cent. and the Gross Redemption Yield, rounded to three decimal places (0.0005 being rounded upwards), on 13½ per cent. Treasury Stock 2004-2008 (the "Reference Stock") calculated by reference to the price of the Reference Stock on The Stock Exchange. London at 3.00 p.m. on Wednesday July 17, 1985, such price to be determined by Baring Brothers & Co., Limited ("Barings") as being the arithmetic mean of the bid and offered prices quoted on a dealing basis for settlement on the following business day by three jobbers in the Gilt-edged market. The Gross Redemption Yield on the Reference Stock will be expressed as a percentage and will be calculated on the basis set out in the Journal of the Institute of Actuaries, Vol. 105, Part I, 1978, page 18.

The rate of interest attaching to the Stock will be an integral multiple of one eighth of one per cent, and will be consistent with an issue price as near as possible to but not less than £87.50 per cent. The issue price will be expressed as a percentage rounded to three decimal places (0-0005 being rounded upwards).

It is intended that notice of the Issue Yield, rate of interest, issue price and the amount of the first interest payment will be published in the Financial Times on Thursday July 18, 1985.

By an Underwriting Agreement dated July 15, 1985, Baring Brothers & Co., Limited, 8 Bishopsgate, London EC2N 4AE, County Bank Limited, 11 Old Broad Street, London EC2N 1BB, Hambros Bank Limited, 41 Bishopsgate, London EC2P 2AA, Hill Samuel & Co. Limited, 100 Wood Street, London EC2P 2AI, Kleinwort, Benson Limited, 20 Fenchurth Street, London EC3P 3DB, Lazard Brothers & Co., Limited, 21 Moorfields, London EC2P 2HT, Samuel Montagu & Co. Limited, 114 Old Broad Street, London EC2P 2HY, Morgan Grenfell & Co. Limited, 23 Great Winchester Street, London EC2P 2AX, N.M Rothschild & Sons Limited, New Court, St. Swithin's Lane, London EC4P 4DU, J. Henry Schroder Wagg & Co. Limited, 120 Cheapside, London EC2V 6DS and S.G. Warburg & Co. Ltd., 33 King William Street, London EC4R 9AS (the "Managers") have agreed with the Bank to underwrite the issue of the Stock.

Barings, on behalf of the Managers, and the Bank may agree in certain circumstances to terminate the Underwriting Agreement, which is subject to certain conditions and accordingly, if they so agree or the Underwriting Agreement does not become unconditional, applications for the Stock will become void or, as the case may be, no applications for Stock will be accepted.

Each application, unless made by a recognized bank or stockbroker taking advantage of the alternative method of payment described below, must be accompanied by a cheque payable to Baring Brothers & Co., Limited and crossed "IBRD Loan", representing payment at the rate of £30 per cent. of the nominal amount of the Stock applied for, Such cheques must be drawn on a branch in the United Kingdom (including Northern Ireland), the Channel Islands or the Isle of Man of a bank which is either a member of the London or Scottish Clearing Houses or which has arranged for its cheques to be cleared through the facilities provided for the members of those Clearing Houses.

An alternative method of payment is available in respect of payments of £50,000 or more only to recognized banks or stockbrokers who irrevocably engage to payment is 250,000 or more only to recognized banks or stockbrokers who irrevocably engage to pay Barings for credit to the account designated "IBRD Loan" by 10.00 a.m. on Wednesday July 24, 1985 the amount in Town Clearing Funds representing payment at the rate of £30 per cent. of the nominal amount of the Stock in respect of which their applications shall have been accepted. The expression "Town Clearing Funds" shall mean a cheque, bankers' payment or bankers' draft which is eligible for presentation in the Town Clearing System in the City of London.

Barings, on behalf of the Bank, reserves the right to retain the relevant allotment letters and application moneys (if any) pending clearance of applicants' remittances and allotment. The balance of the amount payable on the Stock allotted must be paid so as to clear by 12 noon on January 24, 1986. Any amount paid in advance of its due date shall not bear interest.

Failure to pay the balance on any Stock when due will render all amounts previously paid liable to forfeiture and the allotment liable to cancellation. Interest at the rate per annum of 4 per cent. above the base rate for the time being of Barings may be charged on such balance if accepted after its due date. The Bank further reserves the right, without prejudice to any other rights in default of payment, to sell any such Stock fully paid for its own account.

The expression "recognized bank or stockbroker" shall mean any organization which is a recognized bank for the purposes of the Banking Act 1979 and any firm of stockbrokers which is a member of The Stock Exchange and such other banks or brokers as Barings shall at their absolute discretion agree for the purposes of the issue.

Renounceable allotment letters (partly paid) in respect of Stock allotted will be despatched on July 24, 1985 by first class post at the risk of the person submitting the application in accordance with the instructions stated on the Application Form.

Allotment letters may be split up to 3.00 p.m. on January 22, 1986 in accordance with the instructions contained therein into denominations of integral multiples of £100 nominal amount of Stock. Renounceable allotment letters, once renounced, become bearer documents and are

Unless a duly renounced fully paid allotment letter with the registration application form duly completed, or a fully paid allotment letter containing an election to receive Bearer Boads is received by Barings on or before January 24, 1986, the Stock represented by such allotment letter will be registered in the name of the original allottee and thereafter Stock in registered form will be transferable only by instrument of transfer.

Altonnent letters will provide for holders of Stock to elect to take delivery of Stock in bearer rather than registered form. Stock in bearer form will be represented by Bearer Bonds which will be available

Each holder of Stock who elects in the allotment letter to receive Bearer Bonds may receive them

- (a) by collection from the offices of Barings, 8 Bishopsgate, London EC2N 4AE;
- (b) by post at the risk of the applicant;
- (c) by delivery at the risk of the applicant to an existing account with Euro-clear Clearance System Limited or Cedel S.A.
- Bearer Bonds will be available for delivery and Stock Certificates will be despatched on February 14, 1986 after which date allotment letters will cease to be valid for any purpose.

TERMS AND CONDITIONS OF THE STOCK

The issue of the Stock has been authorized by a Resolution of the Executive Directors of the Bank passed on July 9, 1985 and will be constituted by an Instrument to be dated July 24, 1985 (the "Instrument"), executed by the Bank and deposited with Barings. The Stock is not an obligation of any Government.

The following is a summary of the terms and conditions relating to the Stock:

The Stock will represent a direct, unconditional and general obligation of the Bank for the due and punctual payment of principal and interest in respect of the Stock and for the performance of all obligations of the Bank with respect thereto. The Stock will be unsecured and will rank pair passu with all bonds, notes and other evidences of indebtedness issued, assumed or guaranteed by the Bank.

As long as any of the Stock shall be outstanding and unpaid, the Bank will not cause or permit to be created on any of its property or assets any mortgage, pledge or other lien or charge as security for any bonds, notes or other evidences of indebtedness heretofore or hereafter issued, assumed or guaranteed by the Bank for money borrowed (other than purchase money mortgages, pledges or liens on property purchased by the Bank as security for all or part of the purchase price thereof), unless the Stock shall be secured by such mortgage, pledge or other lien or charge equally and rateably with such bonds, notes or other evidences of indebtedness.

The Stock will bear interest from July 24, 1985 at a rate per annum to be determined in accordance with "Determination of Issue Yield, Rate of Interest and Issue Price" above. Interest will be payable by equal half yearly instalments on March 24 and September 24 ("Interest Payment Dates") in each year except that the first payment of interest on March 24, 1986 will be calculated using the following formula:—

 $I=R\times184/365\times30/p+R\times59/365$ where R is the rate of interest attaching to the Stock (expressed as a percentage), p is the issue price and I (expressed in pounds and rounded to three decimal places) is the first interest payment per £100 nominal amount of the Stock.

Interest will cesse to accrue on the Stock on the due date for redemption thereof unless payment of principal is improperly withheld or refused by the Bank.

The Stock will be issued in registered form ("Registered Stock") or, if election is duly made as provided in the renounceable allotment letters, in bearer form ("Bearer Boods"). Subject as

hereinafter provided, Registered Stock may be exchanged in nominal amounts of £5,000 or integral multiples thereof for Bearer Bonds, and Bearer Bonds may be exchanged for Registered Stock. Bearer Bonds will be available in the denomination of £5,000 each, and each Bearer Bond will have attached on issue an interest coupon (a "Coupon") in respect of each Interest Payment Date for which the Record Date (as defined in "Payments" below) is on or after the date of issue of such Bearer Bond.

Applications for such exchanges may be made at any time on or after February 14, 1986 on exchange forms available at the specified offices of the Registrar and the Paying Agents referred to below. Exchanges will only be made on payment by holders of the Stock of such costs and expenses as may be incurred in connection therewith, initially 20 peace per £5,000 nominal of Stock (subject to a minimum charge of £5) plus, where applicable, value added tax.

Any application to exchange Bearer Bonds for Registered Stock must have attached thereto each Bearer Bond to which such application relates, together with all Coupons appertaining thereto which mature after the Record Date next following the date of such application. Any application to exchange Registered Stock for Bearer Bonds must have attached thereto the Stock Certificate(s) to which such application relates. A balance Stock Certificate will be issued in respect of any Registered Stock in excess of the amount to be exchanged for Bearer Bonds.

Exchanges may only be effected by lodging Bearer Bonds and Coupons as described above or, as the case may be. Stock Certificates, at the specified office of the Principal Paying Agent, accompanied by a duly completed and executed irrevocable exchange form and by complying with any applicable fiscal or other laws or regulations and with normal banking practice. The initial Principal Paying Agent is Baring Brothers & Co., Limited and its specified office is at 8 licenspagate, London ECIN 4AE.

Bearer Bonds issued in exchange for Registered Stock will be available, together with any balance Stock Certificate, for delivery at the specified office of the Principal Paying Agent, and Stock Certificates in respect of Registered Stock issued in exchange for Bearer Bonds will be despatched (at the risk of the persons entitled thereto) in each case within three business days of receipt by the Principal Paying Agent of the relevant exchange form duly completed and executed and accompanied by the relevant Bearer Bonds and Coupons or, as the case may be, Stock Certificates.

Registered Stock and Bearer Bonds will be serially numbered.

The Register and Transfer Office for Registered Stock will be at the specified office of the Registrar. The initial Registrar is Baring Brothers & Co., Limited, and its specified office is at Bourne House, 34 Beckenham Road, Beckenham, Kent BR3 4TU. The Bank may terminate the appointment of the Registrar, provided that no termination shall take effect until a new Registrar having a specified office in Great Britain has been appointed. Notice of any changes in the Registrar and/or the specified office of the Registrar will be given to Stockholders. The Registered Stock will be transferable in multiples of one penny by an instrument in writing as if the Stock were a security to which section 1 of the Stock Transfer Act 1963 of Great Britain and The Stock Exchange (Completion of Bargains) Act 1976 of Great Britain, and any statutory modifications or re-enactments thereof, applied.

The Bearer Bonds will be transferable by delivery.

Redemption and Purchases

Redemption—Unless previously redeemed pursuant to "Events of Default" below or purchased and cancelled, the Bank shall redeem the Stock at its principal amount on September 24, 2010.

Purchases—The Bank may at any time purchase Stock on any recognized stock exchange or by tender (available to all holders of Stock alike) or by private treaty. Whilst the Stock is listed on The Stock Exchange, London, purchases by the Bank on The Stock Exchange, London will be at a price (exclusive of expenses and accrued interest) not exceeding the average of the middle market quotations taken from The Stock Exchange Official List for the 10 dealing days before the purchase is made or at the market price, provided that it is not more than 5 per cent. above such average. In all other cases, purchases will be at a price (exclusive of expenses and accrued interest) not exceeding 120 per cent. of the middle market quotation of the Stock on The Stock Exchange, London (or, failing such quotation, on such other stock exchange on which the Stock is listed for the time being) at the close of business on the last dealing day before the date of purchase. Save as aforesaid the Bank may not purchase any Stock. The Bank will be entitled to hold and deal with Stock so purchased which may be cancelled or not as the Bank thinks fig.

In the case of Registered Stock, payments of principal and interest will be made in pounds sterling by warrant drawn on a Town Clearing Branch of a bank in the City of London which will be sent at the holders' risk by post to persons who are registered as holders of Stock at the close of business on the relevant Record Date or to their nominated agents and made payable to such holders or as they may direct. In the case of joint holders, the warrant will be sent to the first-named unless instructions to the contrary are given in writing. The "Record Date" shall mean the thirtieth day before an Interest Payment Date but should such day fall on a day on which the specified office of the Principal Paying Agent and Registrar is not open for business then the Record Date shall mean the first day thereafter on which such specified office is open for business.

In the case of Bearer Bonds, payments of principal will only be made against surrender of the Bearer Bonds and, subject as menuoned below, payments of interest will only be made against surrender of Coupons at the specified office of any Paying Agent by a cheque in pounds sterling drawn on, or by transfer to an account maintained by the payee with, a bank in London, subject in each case to any laws or regulations applicable thereto. However, no Paying Agent in the United Kingdom shall, unless the Bank notifies holders of Stock to the contrary in accordance with "Notices" below, make any payment of interest against presentation of Coupons.

Bearer Bonds should be surrendered for redemption together with all unmatured Coupons, failing Bearer Bonds should be surrendered for redemption together with all unmatured Coupons, failing which the face value of any missing unmatured Coupons for, in the case of partial payment in respect of any Bearer Bond being made, the proportion of such face value which the amount of the partial payment bears to the principal amount of the Bearer Bond) will be deducted from the principal sum due for payment. Any amounts of principal so deducted will be paid in the manner mentioned in the preceding paragraph against surrender of the relevant missing Coupons at any time before the expiry of a period of 10 years after the due date for redemption, whether or not such Coupons would otherwise become void pursuant to "Prescription" below.

If the due date for payment of any amount of principal or interest in respect of any Bearer Bond or Coupon is not a business day, then the holder thereof shall not be entitled to payment of such amount until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay. In these Conditions, the expression "business day" means any day on which banks are open for business in the place where the specified office of the Paying Agent at which the Bearer Bond or Coupon is presented for payment is situated and (in the case of payment by transfer to an account maintained by the payee in London as referred to above) on which dealings in pounds sterling may be carried on both in London and in such place.

The initial Paying Agents and their specified offices are listed below. The Bank will at all times maintain a paying agent in London and at least one country in Europe other than the United Kingdom. Holders of Stock will be notified in accordance with "Notices" below of the replacement of any Paying Agent or any change in its specified office or the appointment of additional paying agents. Notwithstanding any other provisions to the contrary, payment of principal and/or interest on any Bearer Bond or Coupon may be made without physical presentation thereof by a Paying Agent which has entered into an agreement with the Bank to that effect in a form approved by the Principal Paying

If the Bank shall default in the payment of the principal of, or interest on, or in the performance of any covenant in respect of a purchase fund or a sinking fund in, any bonds or notes (including the Stock) or similar present or future obligations which have been issued, assumed or guaranteed by the Bank, or in the performance of any other obligation arising from "Negative Pledge" above, and such default shall continue for a period of 90 days, then at any time thereafter and during the continuance of such default the holder of any of the Stock may deliver or cause to be delivered to the Bank at its Principal Office in the City of Washington, Distinct of Columbia, United States of America, written notice that such holder elects to declare the principal of all Stock held by him (in the case of Bearer Bonds the serial numbers of which shall be set forth in such notice) to be due and payable, and on the thirtieth day after such notice shall be so delivered to the Bank the principal of such Stock shall become due and payable, unless prior to that time all such defaults theretofore existing shall have been cured.

The Bank will be discharged from its obligations to pay principal and interest in respect of Registered Stock to the extent that such payments duly made are unclaimed within a period of 10 years and 5 years respectively after the due date.

Bearer Bonds will become void unless surrendered for payment within a period of 10 years ar Coupons will, except as mentioned in "Payments" above, become void unless surrendered for payment within a period of 5 years, in each case from the due date.

Replacement of Stock Certificates, Bearer Bonds and Coupons If any Stock Certificate, Bearer Bond or Coupon is mutilated, defaced, lost, stolen or destroyed, it may brock Cerunicate, isearer none or Coupon is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of the Registrar (in the case of a Stock Certificate) or of the Principal Paying Agent (in the case of a Bearer Bond or Coupon). Replacement will only be made on payment of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Bank, the Registrar or the Principal Paying Agent may reasonably require. Mutilated or defaced Stock Certificates, Bearer Bonds or Coupons must be surrendered before new ones will be issued.

Title to Bearer Bonds and Coupon The Bank and any Paying Agent may treat the bolder of any Bearer Bond or Coupon as the absolute owner thereof (whether or not such Bearer Bond or such Coupon shall be overdue and notwithstanding any notice to the contrary or writing thereon) for the purposes of receiving payment and for all other purposes.

If the Bank wishes to issue further stock so as to form a single issue with the Stock, it shall be at liberty to constitute such further stock by a supplemental Instrument on terms that it shall be or become consolidated and form a single issue with the Stock.

All notices shall be valid if despatched by post to the holders of Registered Stock at their registered addresses (in the case of joint holders to the address of the holder whose name stands first in the Register) and if published in one leading daily newspaper printed in the English language and with general circulation in London or, if this is not practicable, in a newspaper having general circulation in Europe. It is expected, however, that publication of such notices will normally be made in the Financial Times. Any such notice shall be deemed to have been given on the later of the day following the date of such despatch and the date of the first such publication.

The conditions of the Stock, the provisions of the Instrument and the rights of the holders of the Stock will be subject to modification by Extraordinary Resolution of the holders of the Stock (and of any further stock forming a single issue with the Stock) as provided in the Instrument. Such a Resolution will require a majority of not less than three-quarters of the votes cast thereon.

The Stock and the provisions of the Instrument will be governed by and construed in accordance with the laws of England. Legal proceedings in connection therewith may be brought in the courts of England.

INFORMATION RELATING TO THE STOCK

Current United Kingdom Tax Treatment and Stamp Duty

The Bank has been advised, on the basis of current law and practice, as follows:-(i) interest on the Stock paid as provided herein is payable without deduction of United Kingdom

(ii) the 1985 Finance Bill provides that gains on Stock disposed of on or after July 2, 1986 will be exempt from United Kingdom tax on capital gains regardless of when the Stock is purchased (and any Josses on disposals on or after that date will no longer be capable of qualifying as allowable Josses) and that in the meantime the Stock will not attract any indexation allowance;

allowable losses) and that in the meantime the Stock will not struct any indexation allowance;

(iii) the Stock will not be a deep discount security within the meaning of section 36 of the Finance Act 1984 for the purposes of United Kingdom tax on income. Notwithstanding that the issue price of the Stock may be below its nominal value, no part of that nominal value paid on redemption of the Stock pursuant to the paragraph headed "Redemption" under "Redemption and Purchases" above will be treated as subject to United Kingdom tax as income (except where the recipient is a person holding the Stock as a dealer for United Kingdom tax purposes). On a disposal of the Stock in the open market by a holder of the Stock (other than a disposal by a person holding the Stock as a dealer for United Kingdom tax purposes, but including any disposal by any other person on a purchase made by the Bank pursuant to the paragraph headed "Purchases" under "Redemption and Purchases" above), no part of the disposal proceeds received will be subject to tax as income (save for any amount which new rules being introduced by the 1985 Finance Bill may freat as representing interest accrued on the Stock in the interest period when the disposal takes place);

(iv) transfers of the Stock are free of United Kingdom stamp duty.

(iv) transfers of the Stock are free of United Kingdom stamp duty.

Persons contemplating the acquisition of Stock who are uncertain as to their current or future United Kingdom tax treatment, or as to their treatment under the revenue laws of other jurisdictions, should consult their professional advisers.

The Stock will be eligible to be dealt in on The Stock Exchange in the Gilt-edged market. The Stock will normally be traded for settlement and delivery on the working day after the date of the transaction. The price of the Stock will be quoted inclusive of accrued interest. It is expected that dealings on The Stock Exchange will begin on Friday July 19, 1985 for deferred tilement on Thursday July 25, 1985.

Trastee Status Registered Stock, when listed, will be an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961. Investment by trustees in Bearer Bonds is subject to the provisions of section 7 of the Trustee Act 1925.

When the Stock is listed and when the period to the date of redemption is 25 years or less, it will be an investment falling within the Schedule to the Building Societies (Authorised Investments) (No. 2) Order 1977 (as amended) and will initially fall within Part III of that Schedule.

PURPOSE OF THE ISSUE

The net proceeds to the Bank from the issue of the Stock, estimated to be not less than £86 million, will be used in the general operations of the Bank. PRINCIPAL INFORMATION REGARDING THE BANK

Except as otherwise indicated, all amounts set forth herein are expressed in current United States dollars.

The Bank is an international organization, also known as the World Bank, which was established and has been operating since 1946 under the Articles signed by the governments of its member countries. One hundred and forty-eight countries are now members of the Bank. The principal office of the Bank is located at 1818 H Street, N.W., Washington, D.C. 20433.

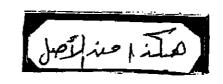
The Bank's principal purpose is to promote the economic development of its member countries in the interest of fostering the long-term growth of international trade and improved standards of living. Its principal activity is providing loans for specific projects and related technical assistance.

The loans held by the Bank (including loans approved but not yet effective) at March 31, 1985 totalled \$74,115,079,000 of which the undisbursed balance was \$34,502,567,000. With the exception of \$1,095,044,000 in loans to the International Finance Corporation, all loans have been made to, or are unconditionally guaranteed by, member countries. The Bank's cash and liquid investments, which totalled \$17,699,000,000 at March 31, 1985, are invested in obligations of governments and of certain agencies and instrumentalities of the United States Government and in time deposits and other unconditional obligations of banks and financial institutions.

The following table shows the borrowings and the capital and reserves of the Bank at March 31, 1985: Borrowings:

| anon-lemi | | | | | | | | | | (\$°000s) | |
|----------------|--------------|-----------------|----------|----------|---------|----------|-------|-------|---------|-----------|--------------|
| Payable in | U.S. | dollars | | | | | | | | (a nnne) | |
| Contracts | to hon | rogr | | •• | •• | •• | | | \$ 3,74 | 2,175 | |
| Less - Net | | | | | • • | | | | | 8.500 | |
| Tess - 1461 | mam | OLTIZEG (| GISCOUT | Ľ | •• | | •• | • • | 2 | 1,337 | \$ 3,729,338 |
| Medium- and | lione : | | | | | | | | | — | |
| Payable in | TT C | erni Antione | | | | | | | | | |
| Payable in | Ų.S. I | OURLE | | • • | • • | • - | | | \$16,31 | 5_370 | |
| Payable in | Tabar | ese yen | | •• | | | | | | 4.907 | |
| Payable in | Deuts | che mai | rk | | | | | | | 6.107 | |
| Pavadie in | Swiss | โรสทเจ | | | •• | | - | | | | |
| Payable in | other | ппеле | iec | | | •• | •• | | | 2,043 | |
| | | | | •• | | •• | | • • | 5,28 | 1,337 | |
| Sub-total | | | | | | | | | A | | |
| Contracts | 10 ha- | | | • • | | •- | | | \$45,61 | 9.764 | |
| Less - Nes | W (V)[] | | a * · | | ••. | • • | • • | | 52 | 3,329 | |
| Less - Net | nnsmi | ortizea (| JISCOUL | re and I | remiu | ms | • • | | | 7,938 | 46,085,155 |
| Total | | | | | | | | | | | |
| 10tai | | | | •• | | | | | | | \$49,814,493 |
| | | | | | | | | | | | CC14410151 |
| Capital and re | Serves. | (1) | | | | | | | | | |
| Subscribed | l canir: | detock | | | | | | | | | |
| Less ~ Unc | -Il-d | ortion . | ~f | <u> </u> | | | | • - | | | \$58.057.967 |
| | | CLUCH (| OF SUDSC | 21hmos | 5. | | | • • • | | | 52,974,117 |
| Capital sto | . : ـ ـ ـ ام | | | | | | | | | | |
| Cabitat 200 | CK paid | ıм | | | | | | | | | \$ 5,083,850 |
| Reserves a | na acc | www. | d net is | жоше - | - unaik | ocated . | | | ••• | • • | |
| | | | | | | - •• • | • • • | •• | | •• | 4,752,488 |
| Total . | | | | | | | | | | | A A 626 220 |
| | | | | | | | | ••• | • • | | \$ 9,836,338 |
| | | | | | | | | | | | |

(1) The figures with regard to capital stock in the above table are based on the substitution of one special drawing right ("SDR") of the International Monetary Fund ("IMF") for one 1944 dollar the Bank's financial statements with the approval of its Executive Directors pending final determination of the valuation of the Bank's capital.



From April 1, 1985 to May 31, 1985, the Bank's short-term borrowings decreased by a net amount of \$70,925,000 dits medium- and long-term borrowings increased by a net amount of \$484,530,000.

The uncalled portion of capital subscriptions, totalling \$52,974,117,000, may be called only when required to meet obligations of the Bank for funds borrowed or on any loans which might be guaranteed by it. This amount is thus not available for use by the Bank in making loans.

At March 31, 1985, the callable capital of the 16 members of the Bank which are also members of the Devek sistance Committee of the Organization for Economic Co-operation and Development was \$34,259,098,000.

Asstance Communes of the Organization for Expiration and Development was \$34,29,090,000.

On the basis of the substitution of one SDR for one 1944 dollar (see note (1) above), the authorized capital of the Bank at March 31, 1985, expressed in current United States dollars, was \$77,963,621,000 (786,500 shares). This amount of authorized capital includes a capital increase of 365,000 shares, 331,500 of which are subject to reduction if, on the basis and at the time of a final determination of the value of the Bank's capital stock, the value of these shares would exceed \$40,000,000,000.

This information relating to the Bank is unandited and is qualified and further explained by the detailed information in the Extel Card relating to the Bank dated March 14, 1985 (in which numerical data are given as of December 31, 1984) which is available in the Extel Statistical Services System.

Copies of the listing particulars relating to the Stock, the Bank's annual accounts for the year ended June 30, 1984 and the Extel Card relating to the Bank dated March 14, 1985 are available until July 30, 1985 (July 18, 1985 in the case of the Company Announcements Office) from:

Baring Brothers & Co., Limited,

Company Announcements Office,

8 Bishopsgate, London EC2N 4AE.

Cazenove & Co., 12 Tokenhouse Yard.

W. Greenwell & Co., Bow Bells House, Bread Street. London EC4M 9EL.

Company Announcements Office, The Stock Exchange,

London EC2:

GENERAL INFORMATION

The Bank has agreed to pay to the Managers an amount aggregating £1.25 per £100 nominal amount of Stock in connection with their services as managers and underwriters of the issue, out of which will be paid by the Managers, on behalf of and as agents for the Bank, commissions to the brokers to the issue in respect of their services to the Bank in connection with the issue and to certain other persons who have agreed with the Bank to accept underwriting participations in respect of the issue of the Stock. The Bank will also per brokerage of one eighth of one per cent. of the nominal amount of Stock issued pursuant to subscriptions received from or through recognized banks and stockbrokers on Application Forms bearing their stamp or in respect of other forms of application accepted by Barings as being from a recognized bank or stockbroker; this commission will not, however, be paid in respect of any allotments which arise out of an underwriting commitment. The total expenses of the issue (including the above-mentioned commissions and brokerage) are estimated to amount to about £1.48 million and are payable by the Bank.

Barings, on behalf of the Bank, reserves the right to reject any application and to accept any application in part only. If any application is not accepted, the amount paid on application will be returned by post at the risk of the person submitting the application and, if any application is accepted for a smaller amount of Stock than that applied for the balance of the amount paid on application will be so returned, in each case after the relevant remittance has been cleared. Barings, on behalf of the Bank, will announce the basis of allotment by 3.00 p.m. on Thursday July 18, 1985 and it is expected that confirmation of allotments will be despatched on the same day.

There has been no material adverse change in the financial position of the Bank since June 30, 1984.

The Bank has not been involved in any litigation or arbitration proceedings which may have or have had during the previous 12 months a significant effect on the financial position of the Bank, nor so far as the Bank is aware are any such proceedings pending or threatened. The Bank has obtained the approval and agreement of H.M. Government required under the Bank's Articles of Agreement in connection with the issue.

Price Waterhouse, independent certified public accountants, of 1801 K Street, N.W., Washington, D.C. 20006, United States of America have audited the Bank's financial statements for the preceding three financial years in

accordance with generally accepted accounting principles. Copies of the Instrument constituting the Stock and of the latest audited accounts and of the Articles of Agreement the Bank will be available for inspection at the specified offices of the Registrar and Paying Agents until redemption

The Stock in the form of Bearer Bonds has been accepted for clearance by Enro-clear Clearance System Limited

412 & Co. Lin

& Co.Lid

1000

- 45 AT 4874

10.00

e grade

... (# ^{(# (#)}

الشاء دياري

Commence of the Commence of th

1. 16%

Copies of the following documents will be available for inspection at the offices of Freshfields, Grindall House, 25 Newgate Street, London EC1A 7LH during normal business hours until July 24; 1985:—

(i) the Articles of Agreement of the Bank;.

(ii) the Underwriting Agreement of the Bank;
(iii) the Underwriting Agreement referred to above;
(iii) a draft, subject to modification, of the Instrument constituting the Stock referred to above;
(iv) the audited accounts of the Bank for the two years ended June 30, 1984 and the unaudited nine months ended March 31, 1985; and

(v) a copy of the Journal of the Institute of Actuaries, Vol. 105, Part I, 1978, pages 15 to 26.

Principal Office of the Bank 1818 H Street, N.W., Washington, D.C. 20433.

Receiving Bank, Principal Paying Agent and Registrar

Baring Brothers & Co., Limited,

Bourne House. Beckenham, Kent BR3 4TU.

Kredietbank S.A. Luxembourgeoise, 43 Boulevard Royal, 2955 Luxembourg.

Morgan Guaranty Trust Company of New York, Mainzer Landstrasse 46, D-6000 Frankfurt/Main, Federal Republic of Germany.

Solicitors to the Bank

Grindall House

8 Bishopsgate, London EC2N 4AE.

Slaughter and May, 35 Basinghall Street, London EC2V-SDB.

12 Tokenhouse Yard, London ECZR 7AN. W. Greenwell & Co., Bow Bells House, Bread Street, London EC4M 9EL

Rowe & Pitman;

Dated July 15, 1985 **APPLICATION FORM** The application list will open at 10:00 n.m. on Thursday July 18, 1985 and will close later the same day. This Form must be lodged with Baring Brothers & Co., Limited, 8 Bishopsgate, London EC2N 4AE.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT Issue on a yield basis of £100,000,000 LOAN STOCK 2010

Payable as follows: On application £30 per cent. and the balance of the issue price by January 24, 1986.

To: Baring Brothers & Co., Limited FOR OFFICE USE ONLY scordance with the verms of the Advertisement I/we apply as below. I/We undertake to accept the amount of Stoc tied for or any less amount that may be allotted in respect of this application and to pay for the same in conformity wis Amount enclosed at £30 per cent of the nominal amount applied for applied for . Amount of 5

Note: Applications must be for a minimum of £100 monimul amount of Stock and thereafter for integral amitiples thereof.

I/We enclose a cheque drawn on a branch in the United Kingdom (including Northern Ireland), the Channel Islands or the late of Man of a bank which is either a member of the London or Scottish Channel Houses or which has arranged for its cheques to be cleared through the facilities provided for the members of those Cheming Houses are which has arranged for its cheques to be cleared through the facilities provided for the members of those Cheming Houses and made payable to "Baring Brothers, & Co., Lumined" and creased "IBRD Loan" representing payment at the rate of £30 per cest, of the show-memioned nominal amount of Scotck. In consideration of international Hank for Reconstruction and Development (the "Bank") agreeing to aliot the Stock on and subject to the terms and conditions of the Advertisement and of the Underwriting Agreement referred to therein, I/we agree that this application shall be inversedable until July 25, 1985 and that this sources shall constitute a collitateral contract between metric and the Bank which shall become binding upon the despatch by mail or delivery of this Form duly completed to Baring Brothers & Co., Limited ("Barings"). JWe understand that the completion and delivery of this Form duly completed by myiour cheque constitutes a representation that myfour cheque will be honoured on first presentation. JWe hereby engage to pay the balance payable on the Stock by January 24, 1966 on any allourned under to metric and rest in except and the state of the amount previously paid lable to forfeiture and the allotment liable to cancellation and that interest at the rate per summin of 4 per cure, above the base rate for the name being of Barings may be charged on such balance if accepted after its due date and that the Bank may, without prejedice to any other rights, in default of payaent sell the Stock fully paid for its own as the hable to be field permised clearance of s

I'We hereby request that any alloment of Stock to meles be evidenced by a letter of alloment addressed to meles sent by post at onylone risk to meles at the first address shown below.

use of a corporation, the Common Seal must be affixed or on signed by a duly authorized officer who must same his

nation: Mr., Mrs., Mas or title so state designation: Mr., Mrs., Miss or title Fuli Postal Address: 🔔

ALTERNATIVE METHOD OF PAYMENT described in the Adversionator).

We hereby engage to pay Baring Brothers & Co., Limited, 3 Brahopagute, London ECZN 4AE for credit to the account designated "IBRD Loan" by 10 till a.m. on Wednesday, 1sby 24, 1985 the amount in Town Cearing Funds representing payment at the rate of 120 per cent, of the nominal amount of the Stock ellosted to the person(s) named above an acspect of this application. In someoderation of the Bank agreeing to allot the Stock as meanoacd above, we agree that this engagement shall be irrevocable until July 23, 1985 and that this sentence shall constitute a collateral contract between us and the Bank as memoraed above. noue. Barneg Brothers & Co., Limbod 9 Biologogue Leagton FCSN 4AE

Carrette & Co . 12 Tokenhoute Yest. London FCZR 7AN In the case of a corporation, the Common Scalimust be affined or this Form signed by a dudy authorized officer who must state Stemp of bank or broker claiming brokerage (if any)

UK COMPANY NEWS

Lewmar joining unlisted market with £26m value

interests, who after the offer will own 74 per cent of company.
Lewmar has been making yacht equipment since 1948. In 1968 the present chairman, Mr John Burton, joined the company and bought control the following year. The company designs, manufactures and distributes the equipment, which it sells around the world. Last year the UK accounted for less than 10 per cent of group sales than 10 per cent of group sales with a further 80 per cent divided evenly between North America and Europe.

America has become an increasingly important market for Lewmar, following the acqui-sition in June 1983 of Navtec, a U.S. company believed to be the world's largest maker of rod

rigging and hydraulic mast control systems.

These products are sold under

over.

The company stresses the importance of design and development. Its winches were used on nine of the 12 challengers for the 1983 Americas Cup, and it has received orders to equip a further nine in the 1987 race.

In each of the past 19 years, except for one, profits have risen; and the latest five year's results show a steady increase in turnover from £5.8m in 1981 to £14.8m in 1985, with pre-tax profits climbing from £385,000 five years ago to £2.8m in the year to February 1985.

No forecast is being made for the current year, and based on 1985 profits the price earnings ratio at the offer price is 14, after a 41 per cent tax charge. The yield is 3.4 per cent assum-ing an annual dividend of 2.625p a share. Application lists open on July 22 and dealings begin a

on July 22 and dealings begin a week later.

• Comment

Lewmar's reputation is such that investors with a sailing bent may

Lewmar's reputation is such that investors with a sailing bent may

The market average.

Lewmar, which claims to be one of the world's leading makers of yachting equipment, is joining the USM. Phillips and Drew is offering for sale 6m shares at 110p each, valuing the company at £26.2m.

Of the shares being sold, 3.1m will raise about £3m of new money for the company, with the remaining 2.9m being sold by the chairman and his family interests, who after the offer will own 74 per cent of company.

The Navtec brand name, and have dependence on sail control systems. Nevtec's control systems now account for about 20 per cent of group turn-over.

The company stresses the importance of design and will need to delve deeper into the prospectus. The company has an immaculate profit record—it used on nine of the 12 challengers for the 1953 Americas Cup, and it has received orders to equip a further nine in the last 19 years has apparently done an excellent job in supplying it with high quality winches, gaining market share winches, gaining market share at the expense of competition which for the most part is local and fragmented. However, Lewmar now has about 40 per cent of the world market for winches and further growth prospects here seem limited, so that exhere seem limited, so that expansion will depend increasingly on Navtec and on Lewmar's other products. With 90 per cent of sales overseas the weakness of the pound has had a strongly positive effect on profits in the last two years, giving a boost which will be less noticeable in the current year's profits. Unlike many USM newcomers Lewmark is a mature company and even

Robert Lowe returns to profit realistic approach to commercial

clothing manufacturer, has returned to profitability in the six months to May 3, 1985. A pretax profit of £120,000, compares with a £39,000 loss last time, but the board cautions that while overall progress has been made, much still needs to be done.

MEMBER OF THE GOLD FIELDS GROUP

THE CLYDESDALE (TRANSVAAL) COLLIERIES

LIMITED

(Incorporated in the Republic of South Africa)

ISSUED CAPITAL: 10 097 721 shares of 50 cents each

The board remains confident however, in the company's ability to continue the progress made in profitable growth. For the year ended November 2, 1984, the group made a pre-tax loss of £209,000.

The recent history of Lowe bas been one where the second half performance was substantially worse than the first six months. But the board points out that the group is now witnessing a re-sumption of customer confidence in its ability to produce and service attractive ranges.

OPERATING RESULTS (TONS 000)

Total mined
Tons sold
FINANCIAL RESULTS (R000)

Gross profit

Profit before tax

PROFIT AFTER TAX

Capital expenditure

Loan levy refund

NOTES:

15 July 1985

This year will not see the trad. ing losses that have come to be associated with the group's recent second-half performance, the board states.

The company has decided to pay the interim preference divi-dend on August 30, 1985, to-gether with the arrears of preference dividend outstanding. The board says it is still essential to conserve liquid resources and consequently it is not intended to resume the payment of an interim on the ordinary shares.

The improved half-year performance was achieved on slightly lower turnover of £3.89m (£3.98m). Market conditions are not easy and margins remain inadequate, but the group has benefited from the positive measures taken to concentrate production into more viable units, and by adopting a more

Quarter

31 March 1985

1 952 1 928

28 740 23 045

5 695 1 500

7 195 4 132

3 063

17

240

On behalf of the board

29 266 24 878

2713

A. M. D. GNODDE } Directors

Capital Expenditure. The unexpended balance of authorised capital expenditure at 30 June 1985 was R2.7 million.

Dividend. A dividend (No. 144) of 50 cents (19.566898p) per share declared on 13 June 1985 is payable to members on or about 7 August 1985.

Proposed Merger of the Operations of Clydesdale and Apex.

Apex has been granted leave to appeal against the judgments on the application to leave further oral evidence and the application for sanction of the Scheme of Arrangement. The appeal will be heard by the Appellate Division on a date to be decided by the Court.

ended 30 june 1985

3 917

58 006 47 923

10 083

3 297

13 380 7 604

5 776

problems and the opportunities they afford. Trading profits for the six months climbed from £8,000 to

£171,000. Interest payable took £51,000 (£47,000), but there was again no tax. Earnings per 25p share are stated at 3.68p (1.25p losses). The Aspatria garment making

unit continues to make progress with its increased number of direct operatives. A re-equipment scheme has commenced so as to obtain greater machine

The Congleton garment making unit is still undergoing diffi-culties in recruiting skilled labour locally and there remains a need to generate a more acceptable level of gross margin on their established lines.

Both the transfer printing business and cardboard box manufacturer have shown further improvement in profit-

Ellis & Everard up 38% but growth in U.S. slowing down

SECOND HALF profits of Prillaman group accounted for chemical merchants and processor Ellis & Everard came to acquisition a year ago.

£1.64m, to give a total of £3.52m

UK tax took £1.35m (£1.02m) for the year ended April 30 1985, a rise of 37.5 per cent over the comparable £2.56m. The current year has begun satisfactorily in the UK, but the

slowdown in economic growth has made it rather harder going in the U.S., the directors state.

However, they are confident that the group will consolidate successfully on last summer's 61 per cent increase in pre-tax profits (first half produced f1.87m against f1.16m), despite higher

much premiums The directors are maintaining the final dividend at 4p for an unchanged total of 6.5p net after adjustment for the scrip issue last time this is equal to an increase of 0.59p. A further one-for-10 scrip is to be made. In the year 1984-85 turnover expanded from £56.09m to £88.3m, and this generated a gross profit of £17.67m, compared to £13.05m. Distribution costs were £5.32m (£3.65m) and administrative expenses £8.68m.

increase in sales was made up as to a 9 per cent lift in merchanting, 12 per cent in fine chemicals, 19 per cent in exports, 24 per cent in manufacturing, 39 per cent in AICC, and the inclusion of Prillman.

ESIS,000, or \$6.50,000, since its acquisition a year ago.

UK tax took £1.35m (£1.02m) and overseas £25,000 (£122,000), while minorities were £64,000 (£54,000). This left the net attributable profit at £1.85m (£1.36m), for earnings of 12.6p (£1.36m), per sharp of 12.6p (11.3p) per share.

comment

Earlier in the year, when analysts were predicting at least analysts were predicting at least £3.7m pre-tax for Ellis & Everard, the shares stood at 250p. By yesterday morning the price was more than a quarter below that and the full year outcome of £3.5m was clearly no surprise for anybody but small shareholders not privy to the subtle changes in analysts forecasts that go towards making an efficient market. Even so a second half profits fall of an eighth against the interim is less than inspiring. Most of the problems have come in the U.S. where the market has been where the market has been slower and margins remain under pressure. Never the less pared to £13.05m. Distribution costs were £5.32m (£3.65m) and administrative expenses £8.68m (£6.65m).

The overall 57 per cent increase in sales was made up as to a 9 per cent lift in meras to a 9 per cent lift in merchanting, 12 per cent in fine chemicals, 19 per cent in exports, 24 per cent in manufacturing, 39 per cent in MICC, and the inclusion of Prillaman.

The group's U.S. interests contributed an operating profit to thing reach £4m pre-tax for a prospective p/c of 12 at 1855—not the high rating of six menths ago of £1m, compared with £443,000, or \$1.25m (8647,000). Of this the

Park Food shows 21% rise

and supplies hampers, raised pre-tax profits by 21 per cent from £1.57m to £1.9m for the year ended March 31, 1985. Turnover was 37 per cent higher at £39.25m, against £28.65m.

An increase in full year profits had been predicted at the in-

had been predicted at the in-terim stage, when — reflecting the seasonal nature of its main business — the group reported pre-tax losses of £1.64m (£1.41m). The current year has again started well with a further real increase in order intake for the company's retail agency hamper husiness, which is the most

Park Food Group, which packs and supplies hampers, raised food activities, and add that the pre-tax profits by 21 per cent signs for the current year look promising.

Tax for the year took £869,000 (£760,000) and earnings per 10p share came out at 10.08p (\$.01p). The dividend total is raised from 3p to 3.6p net with a final of 2.4p.

Sales and profits in the main business of Christmas hampers and vouchers were again substantially up

In other food activities, Bee and Cee Foods remained profitable but Millstore, which started its fresh convenience food business only two years ago, incurred business, which is the most able but Millsto profitable sector of its activities. Its fresh convers. The directors say the company is encouraged by this and the a trading loss.

RECORD RESULTS FOR 1985

| Year to 31st March | 1985 | 1984 | Increase |
|-----------------------------|--------|--------|----------|
| | £'O | | |
| Turnover | 18,279 | 15,351 | + 19% |
| Trading Profit | 1.785 | 1,013 | + 76% |
| Operating Profit before Tax | 1,331 | 545 | + 144% |
| Net Earnings per Share | 8.86p | 5.03p | + 76% |
| Net Dividends per Share | 2.00p | 1.25p | + 60% |
| Net Assets per Share | 56.26p | 49.40p | + 13% |

HIGHLIGHTS FROM THE PRELIMINARY **ANNOUNCEMENT FOR 1984/85.**

* Turnover up by 19%.

* Operating profit before tax up by 144%.

* Dividends up by 60%.

* All the Group manufacturing companies are operating with full order books and worldwide demand remains high. * Increasing export markets.

> Sekers International PLC 15/19 Cavendish Place, London W1M 9DL.

BASE LENDING RATES Bank Hapoalim 121%
BCCI 121%
BCCI 121%
Bank of Ireland 121%
Bank of Cyprus 121%
Bank of Cyprus 121%
Bank of India 121%
Bank of Scotland 12 %
Banque Belge Ltd. 121%
Barclays Bank 12 %
Beneficial Trust Ltd. 131%
Brit Bank of Mid. East 12 %
Brown Shipley 121%
CL Bank Nederland 12 %
Canada Permanent 12 %
Canada Permanent 12 %
Ceder Holdings 13 %
Charterhouse Japhet. 12 %
Choulartons** TCB Trustee Savings Bank

Hill Samuel \$121%
C. Hoare & Co. 122%
Hongkong & Shanghai 12 %
Johnson Matthey Bkrs. 122%
Knowsley & Co. Ltd. 121%
Lloyds Bank 12 %
Edward Manson & Co. 131%
Meghraj & Sons Ltd. 121%
Midland Bank 12 %
Morgan Grenfell 12 %
Mount-Credit Corp. Ltd. 12 %
National Ek. of Kuwalt 12 % National Bk. of Kuwalt 12 %
National Girobank 12 %
National Westminster 12 %
Northern Bank Ltd. 12 %
Norwich Gen Trust 12 %
People's Trust 13 %
PK Finans Intl. (UK) 13 %
Provincial Trust Ltd. 13 %
R. Raphel & Sons 12 %
Royal Bank of Scotland 12 %
Royal Bank of Scotland 12 %
Royal Trust Co. Canada 12 %
Standard Chartered 12 %
TCB 12 %
Trustee Savings Bank 12 % National Bk. of Kuwalt 12 National Girobank ... 12 National Westminster 12 United Bank of Kuwait 12 United Mizrahi Bank 12 Westpac Banking Corp. 121% Whiteaway Laidlaw ... 13 % Williams & Glyn's ... 12 % Yorkshire Bank 12 %

Co-operative Bank 12 %
The Cyprus Popular Bk 12 %
Duncan Lawrie 12 %
E. T. Trust 13 %
Exeter Trust Lid 13 %
First Nat Fin. Corp. 13 %
First Nat Secs. Ltd. 13 %
Robert Fleming & Co. 13 %
Grindlays Bank 12 %
Grindlays Bank 12 %
Hambros Bank 12 %
Hambros Bank 12 %
Heritable & Gen. Trust 12 %
Heritable & Gen. Trust 12 %

Top Tier-(2,500+ at 3 monnth notice 12 % to 4 deposits 61,000 and over 8 % gross.

2 Call daposits (1,000 and over 8 % gross.

3 21-days deposits over £1,000 10%.

4 Morgage base rate.

5 See Provincial Trust Ltd.

5 Demand deposits 94%.

Notice of Redemption to the Holders of

Heritage Communications International Finance N.V. 8½% Convertible Subordinated Bonds Due 1999

Heritage Communications International Finance N.V. hereby gives notice that it will reducent all of its 812% Convertible Subordinated Bonds due 1999 (the "Securities") on August 9, 1985 (the "Redemption Date") at a price of 105% of the principal amount thereof (the "Redemption

On the Redemption Date, upon presentation of the Securities together with all coupons maturing thereafter, the Redemption Price will become due and payable upon all such Securities along with interest accrued thereon from April 1, 1985 to the Redemption Date in the amount of \$151,11 for each \$5,000 principal amount of Securities. Interest shall cease to accrue on and after the Redemption Date.

The conversion price of the Securities is \$12.00 per share of Heritage Communications, Inc. common stock. The right to convert the principal amount of the Securities will terminate at the close of business on August 9, 1985. Pursuant to the terms contained in the Securities, the Company will pay to the holder of any Security which is presented for conversion a cash sum equal to the accrued interest thereon from April 1, 1985 to the date of conversion. Registered Securities may be surrendered for conversion or redemption at Citibank, N.A., Corporate Trust Services, 5th Floor, 111 Wall Street, New York, New York, 10043. Bearer Securities may be surrendered for conversion or redemption at Citibank, N.A., 336 Strand, London WC2R 1HB, Citibank (Luxembourg) S.A., 16 Avenue Marie-Therese, Luxembourg, Citibank, N.A., Avenue de Tervuren 249. B-1150 Brussels, or Citibank, N.A., 16 Quai General Guisan, CH1211, Genera 3.

The redemption is pursuant to the second paragraph of the reverse of the forms of Securities set forth in Section 202 of the Indenture dated April 1, 1984, which provides that the Securities may be redeemed prior to April 1, 1988 provided that the closing price per share of Heritage Communications, Inc. common stock on each day on which there was a closing price during a 30-day period immediately preceding the thirtieth day preceding the date on which notice of redemption is first published is at least 130% of the conversion price in effect on each such day. The preceding condition has occurred.

Withholding of 20% of gross redemption proceeds of any payment made within the United

States is required by the Interest and Dividend Compliance Act of 1985 unless the Paying Agent has the correct tax identification number (social security or employer identification number) or Exemption Certificate of the payee. Please furnish a properly completed Form W-9 or Exemption Certificate or equivalent when presenting your Securities.

Heritage Communications International Finance N.V. Dated: July 9, 1985

Blunder gave IBM a world lead in factory automation sales

BY RAYMOND SNODDY

aided design companies have per cent in 1994.
made a major strategic blunder A better educated market, and in their battle with IBM for the world market for computer sided design and manufacturing (CAD/CAM), a leading (CAD/CAM), a leadin specialist researcher believes.

Mr Charles Foundyller, of Daratech consultancy, who has just completed a major survey of the market which shows that the long expected shakeout in the industry is underway, be-lieves something strange began to happen about the middle of

companies such as Computer-vision and Applicon, which were starting to feel the squeeze and having to lay people off, started to emphasise computer integrated manufacture (CIM) to go for growth. The future, they argued key not just in CAD but in systems that in-tegrated everything from inventory control, finance and design.

"The purchasing decisions started to move from the engineers to the data processing managers," Mr Foundyller believes. Engineers might know all about Computervision promanagers were more familiar

"Suddenly companies like Computervision and Applicon started finding themselves com-peting with IBM on its home ground. In effect that strategy handed IBM the CAD/CAM market on a silver platter," Mr

Foundvller said. At the same time as the traditional CAD/CAM companies were being squeezed at one end by integrated IBM systems they were facing trouble at the other by the increasing use of small personal computers for computer aided design at a frac-tion of the cost of large dedi-

SOME OF the leading computer ted 24 per cent-down from 53 more cautious capital spending has led to increasing difficulties for weaker companies with less

"The survivors are going to be companies that maintain a technological edge with products that can co-exist with IBM's mainframe, workstation and network strategy," the survey says. The U.S. is still the dominant CAD/CAM market with Europe

a long way behind.
"The entire installed CAD/ Major American CAD/CAM CAM installed base in Germany is the same as that at Boeing. The UK's CAD/CAM installed base is twice that of Boeing." Mr Foundyller points out. IBM will increase its lead as

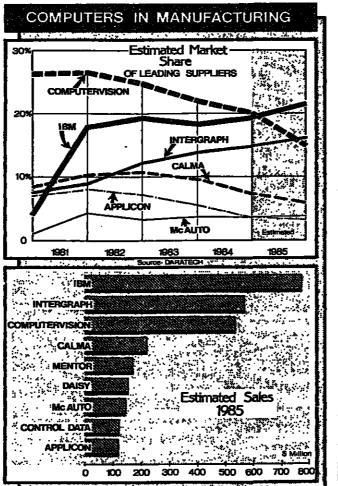
the industry sales leader this year, Daratech believes. Its share of the CAD/CAM and CAE (computer assisted engiin 1985 with system sales of research company believes, we starting to hurt sales of the high end systems that can cost high end systems that can cost neering) will grow to 23 per cent

Daratech believes that IBM is up to \$120,000 a seat.

preparing a number of single "Users are finding user systems based on personal computers and powerful new general-purpose engineering workstations. Industry sourcs believe the new workstations will be 32 bit machines which will use the UNIX operating system and cost between \$15,000 and \$40.000 for the bottom of

range. "Once these new products become available IBM will have surrounded the market with an array of compatible products in all price ranges," Daratech says.
Acceptance of personal computer-based CAD/CAM, CAE by remarkable.

With an estimated 42,000 puter. units installed at the end of March 1985, Daratech believes that already more than one desk, a Sausalito, California third of all CAD/CAM, CAE software company which has



"Users are finding that personal computer-based systems often give them 70 per cent of the benefit for 20 per cent of the cost and are increasingly opting for the lower-cost systems," Daratech

The company expects the move to personal computers to accelerate quickly when more powerful machines with better displays are introduced later this year.

"By 1990 personal computer power will have increased so puter-based CAD/CAM, CAE by much that more than nine out of all market segments has been ten CAD/CAM, CAE seats will use a personal or desktop com-

According to the Daratech seats are based on personal already shipped more than survey, which looks at all CAD/ computers," the survey says.

CAM companies operating in The increasing power of This is a drafting and design the American market, revenue these systems, which usually system for mechanical and growth has slowed to an estimated and state of the survey says.

The Daratech survey, review and buyers guide is available in Europe from Elsevier Scientific Publications PO Box 211, 1000 architectural applications that AE Amsterdam

research company believes, is runs on 30 different models of

Most of the major players in the CAD/CAM market, Daratech believes, will have already entered the personal computer segment or plan to announce systems before the end of this

Building revenues in this segment has however been difficult for established turnkey system vendors because of low unit ently prefer to buy personal computer hardware independently or use computers already purchased for other purposes.

Yet despite the great uncer-tainty over the whole sector Daratech believes that the woes at Computervision which posted a 1985 first quarter loss of \$19m, and Calma which was unprofitable in 1984 and was forced to lay off 115 workers in April, 1985, do not appear to

Divide is the rule for making the most of overloaded computers

Professional

BY ALAN CANE

Personal

Computing

THE LOTUS software package "Symphony," a massive spread-sheet coupled to file handling graphics, communications and graphics, communications and word processing programs is generally reckoned to be at the very limits of integration—at least using today's technology. While the quality of the individual components of the package is motion appetion. package is not in question, there is a general belief that and indeed its precursor 2-3, is not easy to use. Indeed.

allow the screen to be divided up into a number of different sections ("windows") each runthe UK expert systems company Expertech is developing a pack-age to give Lotus users expert one approach to memory parti tion. The best known are the much-delayed Windows from Microsoft, Concurent PC-DOS from Digital Research and Desq. In addition, IBM created a stir advice when they find them-selves unable to cope with Lotus' error messages.
So "integration" has ceased to be the flavour of the month. But that does not mean that personal computer users will be prepared to go back to loading and unloading individual programs to carry out business

display at a recent personal computer user show in London. computing. What they are look-ing for is a simpler level of but it is still, apparently, only available to applications developers and systems builders for the time being. integration which can be easily understood, mastered and. above all, put into practice

The market for low-cost, easy-to-use personal computer

6A smart piece of software divides the memory into segments

programs that automate simple office functions, or which make the computers themselves easier to use is substantial. Consider, for example, the case of the U.S. software house Borland

It packaged a small but powerful program. Sidekick. which enabled the user to inter-rupt one activity on the computer, load in another and then return to the original program at exactly the point of interrup-tion. At around \$70, it proved a runaway success.

Now, however, the accent is

on integration without tears. An integrated package like 1-2-3, Symphony, Framework or Open Access certainly allows the user grams, but only those which are part of the package, for example between a spreadsheet and a The latest idea is memory

partitioning; it involves a smart piece of software which divides the memory of the computer into separate segments so that two or more programs can be loaded into the computer at the same time. Windowing programs which

late last year when it announced its own windowing programe "Topview." Microsoft's Windows was on

and unnecessary.

But there seems to be something of a groundswell of opinion against the windows concept. Suppliers do not be-lieve that personal computer users make much use of windows for running programs simultaneously. Caxton, for example, a leading UK software publishing house sys: "We feel that windows are cumbersome and unaccessors."

And writing in the authoritative U.S. magazine Software News, Mr Andy Johnson-Laird argued: "The real problem is that windows look really good in a self-running demonstration or on the page of a magazine.' But look closely at any advertisement or demonstration of windowing software and you will see the you are looking through keyholes at various

applications." "Look hard and you will realise it would be unworkable." Everybody, however, praises screen icons, small pictures of particular activities on the screen which are used in con-junction with the screen cursor to initiate those activities. A small picture of a calculator,

for example, would be the key into the computer's mathematical functions... NEC, for example, uses a simple icons in the "Foundation

Suite" software it gives away free with its very powerful APCIII personal computer. A second method of memory

is exemplified by a package called "Memory/Shift." now available in the UK from Caxton (and available by mail order, in imitation of the strategy pioneered by Borland International in the U.S.

According to U.S. software expert Hillel Segal of Executive Computing newsletter: "Memory/Shift is an amazing \$99

program that stands in a class all by itself." It makes it possible for It makes it possible for a computer user to segment the main memory of the computer into up to nine sections. Each section can be loaded separately with a program. Bob Huckle, marketing director of Caxton says he thinks most people will use two or four sections rather than all pine.

Most IBM PC users seem to have machines with at least 256K bytes of store, so two 125K programs could be loaded

easily.

Mr Huckle speaks from his own experience: "My PC has 640K and each morning I automatically load wordstar, Cardbox (a boxfile program), Brainstorm (an ideas organiser) and Timekeeper (office management

Now personal computers can be used for new tasks 9

He says: "It gives the user the ability to use his PC for tasks that he could not use it for before because the tools required needed to be on hand all

the time.' "Now he or she can have Lotus 1-2-3 running all day, but he can also computerise his card index, notepad, diary or calculator."

Data can be moved from segment to segment and the user can skip from one segment to the next by pressing one or two

Memory/Shift does not use windows or allow two programs to run simultaneously nor does it run with all programs—it cannot be used with "background programs like Sidekick, for example, because they both make use of the same parts of the computer's operating system. Nevertheless, it seems to have

won approval from the computer most of whom recom it highly. But it remains to be seen how IBM's Top View perpartitioning which is very big forms in the memory partition business in the U.S. at present market.

Contracts and Tenders



New style components from STC

STC COMPONENTS has begun full production of tantalum chip capacitors for tantarum emp capacitors for surface mounting applications and will soon be making several million a week at its plant in Paignton, Devon.

Surface mounting of elec-tronic components on printed circuit boards is expected to be widely used by makers of professional electronic equip-ment in the next few years.

Instead of using integrated circuits, resistors and capacitors with wire legs that are inserted into holes in the board and soldered on the reverse side, surface-mounted components simply have contact pads which are directly soldered to the top side of the

More components can be packed on to the board, reducpacked on to the board, reducing its size by up to 50 per cent and connections are more reliable. The legiess components are easier for insertion machinery to handle and the absence of the short frequency performance.

STC's chip capacitors are supplied in taped or reeled form with delivery times of 9-10 weeks. More on 0279

Bank offers payroll training

CENTRE-FILE, the computer services subsidiary of National Westminster Bank, has launched a two-day payroll training course for new employers.

It covers income tax.
national insurance, statutory sick pay, pensions, procedures for new employees and leavers and end of year tax routines. The lectures are aimed at people with little or no knowledge of payroll pro-cedures or calculations.

The courses cost £175, including food and refreshments, and take place at the bank's Goodmans Fields complax in Aldgate, East London

This advertisement appears as a matter of record only

Nationale Maatschappij der Belgische Spoorwegen (NMBS)



Société Nationale des Chemins de fer Belges (SNCB)

¥10,000,000,000

Term Loan

Guaranteed bu

The Kingdom of Belgium

Lead Managed by

Nippon Life Insurance Company The Mitsui Trust and Banking Company, Limited

Managed by

The Bank of Tokyo, Ltd. The Bank of Yokohama, Ltd. The Dai-ichi Mutual Life Insurance Company The Meiji Mutual Life Insurance Company The Saitama Bank, Ltd. Sumitomo Life Insurance Company

Asahi Mutual Life Insurance Company

Co-Managed by

The Industrial Bank of Japan, Limited Mitsui Mutual Life Insurance Company

The Yasuda Mutual Life Insurance Company

The Long-Term Credit Bank of Japan, Limited The Nippon Credit Bank, Ltd.

The Yasuda Trust and Banking Company, Limited

The Taiyo Mutual Life Insurance Company Provided by

The Mitsui Trust and Banking Company, Limited Nippon Life Insurance Company The Bank of Tokyo, Ltd. The Dai-ichi Mutual Life Insurance Company The Bank of Yokohama, Ltd. The Saitama Bank, Ltd. Asahi Mutual Life Insurance Company The Industrial Bank of Japan, Limited The Long-Term Credit Bank of Japan, Limited Mitsui Mutual Life Insurance Company The Nippon Credit Bank Ltd. The Taiyo Mutual Life Insurance Company The Chivoda Mutual Life Insurance Company Manufacturers Hanover Trust Company, 104yo Beach The Mitsubishi Trust and Banking Corporation The Norinchukin Bank The Sumitomo Trust and Banking Company, Limited The Toldo Marine and Fire Insurance Company, Limited The Toyo Trust and Banking Company, Limited The Tasuda Fire and Marine Insurance Company, Limited

Coordinator

Nippon Life Insurance Company

The Mitsui Trust and Banking Company, Limited

June, 1985

Hanon

Financial Times Conference Organisation, Arthur Street,

Telex: 27347 FTCONF G

WORLD MOTOR

FRANKFURT SEPTEMBER

12 and 13, 1985

The Financial Times is arranging a major conference on the World Motor Industry in Frankfurt on 12 and 13 September with the Frankfurt Motor

The distinguished panel of speakers will include

Bob Lutz of Ford Umberto Agnelli of Fiat and Bernard

For further details contact: Karen Eve on 01-621 1355

Minster House, London EC4R 9AX

Tel: 01-621 1355

REPUBLIC ALGERIENNE DEMOCRATIQUE ET POPULAIRE

MINISTERE DE L'ENERGIE ET DES INDUSTRIES PETROCHIMIQUES (Ministry of Energy and Petrochemical Industries)

ENTREPRISE NATIONALE DES TRAVAUX AUX PUITS (Netional Oil Exploitation Company)

NOTICE OF EXTENSION

The National Oil Exploitation Company (E.N.T.P.)—16 ROUTE DE MEFTAH—OUED SMAR—EL HARRACH—ALGER—hereby informs companies concerned with International Call for Tender No: 9140/AY/MEC for the supply of:

- Lot No 1:-Ambulances L.R. Type 109 - Lot No 2:--Jeeps for trouble-shooting/inspection purposes Type 109

that the closing date, initially, set at 1/7/85, has been extended to 7/8/85.

REPUBLIC ALGERIENNE DEMOCRATIQUE ET POPULAIRE

(Algerian Popular Democratic Republic)

MINISTERE DE L'ENERGIE ET DES INDUSTRIES PETROCHIMIQUES

(Ministry of energy and Petrochemical Industries) ENTREPRISE NATIONALE DES TRAVAUX AUX PUITS

> (National Oil Exploitation Company) NOTICE OF EXTENSION

The National Oil Exploitation Company (E.N.T.P.)—16 ROUTE DE MEFTAH—OUED SMAR—EL HARRACH—ALGER—hereby informs companies concerned with international Call for Tender No: 9138/AY/MEC for the supply of:

Lot No 1:-Tractors 6 x 6 equipped with winch, 450-500 h.p.

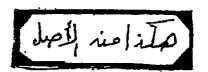
- Lot No 2:-Tractors 6 x 6 with 30-ton capacity, 300 h.p. that that closing date, initially set at 1/7/85, has been extended to 7/8/85.

Company Notices

BANK HANDLOWY W. WARSZAWIE S.A.

Art Galleries

SANDVIK Sandvikens Jernverks Aktiebolag U5515,000,000.00 9% Bonds 1986 14th Redemption due 1st August 1985 In column 13 of the bond redemption notice for the above company which was published in the Financial Times on Friday 12th July the bond number 4040 should have read 5040.



Copies of this document, having attached thereto the documents referred to herein, have been delivered to the Registrar of Companies for registration.

This document includes particulars given in compliance with the Regulations of the Council of The Stock Exchange for the purpose of giving information with regard to Lewmar pic ("the Company") and its subsidiaries (together "the Group" or "Lewmar"). The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or opinion. All the Directors accept responsibility accordingly.

Application will be made to the Council of The Stock Exchange for the grant of permission to deal in the Ordinary shares of the Company, issued and to be issued, in the Unlisted Securities Market. It is emphasised that no application has been made for these securities to be admitted to the Official List.

The application lists for the Ordinary shares now being offered for sale will open at 10.00 a.m. on Monday, 22nd July, 1985 and may be closed at any time thereafter. The procedure for application and an application form are set out at the end of this document.



LEWINAR DIC

Offer for Sale Phillips & Drew

6,000,000 Ordinary shares of 25p each at 110p per share payable in full on application



SHARE CAPITAL

Authorised 7,250,000

in Ordinary shares of 25p each

Issued and to be issued fully paid 5,958,184

The Ordinary shares now being offered for sale will rank in full for all dividends hereafter declared or paid.

INDEBTEDNESS

At the close of business on 17th June, 1985, the Group had outstanding unsecured bank overdrafts of £57,000, secured bank overdrafts of £313,000, secured term loans of £582,000, unsecured term loans of £56,000 and mortgage loans of £70,000.

Save as aforesaid and apart from intra-group indebtedness, the Group did not have outstanding at that date any mortgages, charges or debentures, any loan capital issued or created but unissued, or any other borrowings or indebtedness in the nature of borrowing, including bank overdrafts, term loans and liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments or lease commitments under leasing agreements (other than operating leases) or guarantees or other material contingent liabilities.

DIRECTORS AND ADVISERS

BOARD OF DIRECTORS
John Donne Burton, MA (Chairman)
Martin Tay, MA (Managing Director)
Thomas Rolf Eliassen, BSc (Eng.), MBA. (US)
David John Heaton, BSc, FCA
Richard David John Huggett
Charles Anthony Bystram BA (Non executive) all of Southmoor Lane, Havant, Hampshire, PO9 1]) SECRETARY AND REGISTERED OFFICE Southmoor Lane, Havant, Hampshire, PO9 1) STOCKBROKERS AND FINANCIAL ADVISERS Phillips & Drew, 120 Moorgate, London, EC2M 6XP **AUDITORS AND REPORTING ACCOUNTANTS** Arthur Andersen & Co., Chartered Accountants, 1 Surrey Street, London, WC2R 2PS SOLICITORS TO THE COMPANY Linklaters & Paines, Barrington House, 59-67 Gresham Street, London, EC2V 7JA SOLICITORS TO THE OFFER FOR SALE Nabarro Nathanson, 76 Jermyn Street, London SW1Y 6NR PRINCIPAL BANKERS Bardays Bank PLC, 10-12 High Street, Emsworth, Hampshire, PO10 7AP RECEIVING BANKERS New Issues Department, PO Box 123, Fleetway House, 25 Farringdon Street, London, EC4A 4HD

REGISTRARS AND TRANSFER OFFICE

Registration Department, Radbroke Hall, Knutsford, Cheshire, WA16 9EU

18

SUMMARY

The following information is derived from the full text of this document and accordingly should be read in conjunction with that text: Business
The Group is one of the world's leading designers, manufacturers and distributors of sophisticated equipment for racing and cruising yachts. Products include a matched range of winches, sail control hardware, rod rigging, hydraulic systems and hatches. Lewmar's comprehensive range of products is designed and manufactured within the Group and marketed to boatbuilders and independent distributors, principally under the trade names "Lewmar" and "Navtec". The equipment is of a high specification and quality and utilises advanced technology. The Group has earned a reputation for innovation, reliability and technical excellence in high performance applications, which has enabled it to build a leading position within its industry. It is dedicated to following the same approach in securing further growth.

1981 £'000 1985 £'000 £'000 £'000 £ 000 6,687 7,887 11,834 14,810 5.832 385 (77) 1,158 (393) 1,821 (652) 2,822 (1,156) Profit before taxation

Profit after taxation 308 542 765 1,169 1,666 8.0p Earnings per share OFFER FOR SALE STATISTICS Offer for sale price per share 110p

Offer for sale price per share

Number of shares in issue following the offer for sale
Market capitalisation at the offer for sale price
Number of shares being offered for sale
—by existing shareholders
—by the Company
Earnings per share*
—after the actual tax charge of 41 per cent.
—assuming a notional tax charge of 35 per cent.

Price fearnings ratio 8.0p 8.9p Price/earnings ratio
—after the actual tax charge of 41 per cent.
—assuming a notional tax charge of 35 per cent.

Gross dividend yield based on the indicated annual dividends of 2.625p per share (being 3.75p including "Calculated on the basis set out under "Profits and Financial Position" below.

INTRODUCTION AND MARKET BACKGROUND

The Group is one of the world's leading designers, manufacturers and distributors of

Mechanically geared devices used to tension ropes and adjust the sals on a yacht.

A range of products designed to assist in the control of the many ropes which are a feature of almost all yachts.

A system to support the mast and control its bend using high tensile stainless steel alloy rods, which offers considerable benefits over conventional wire rigging.

are mainly used to change the bend of the mast and the precise

shape of the sail.

Arange of products made from extruded aluminium alloy, used to cover openings in the deck of a boat to provide ventilation and access below deck.

Lewmar's success in recent years has been founded largely on as dedication to the design and development of technologically advanced products for high performance applications in the racing world. Nine of the webse challengers for the 1983 America's Cup, including both finalists, chose to be equipped with "Lewmar" winches. In the same series, all twebse competitions used rod rigging and hydraulic equipment supplied by Naviec Inc. ("Naviec"), a US subsidiary of the Group.

The Group's headquarters and main manufacturing plant are located in Havans, Hampshire. The Group also has manufacturing facilities in Waterford, Republic of Ireland, and Littleton, Massachusetts, USA.

The Group's potential markets are worldwide and in the last financial year over 90 per cent, of sales were made outside the UK. The Directors believe that the Group emoys the largest single share of the world market for vachit winches. Lewmar has received three Queen's Awards for its contribution to exports.

The Croup's principal customers are boasbuilders and thus the market for its products is influenced by trends in yachi construction. The Directors believe the market is likely to show steady growth in the next kin years as personal expenditure on lensure activities increases in developed counties. The Group benetits both from the desire of boatbuilders to specify well-known, international brands and from the freed in recent years towards larger, more sophisticated houts and equipment. Furthermore, Lemmar's success in the racing environment, and the publicity which this success has given its products, is an important factor in the selection by boatbuilders of "Lewmar" and "Navtec" equipment for their boats.

HISTORY

The business was founded in 1946 to manufacture yacht equipment. John Burton joined Lewmar Marine Limited in 1966 as Chairman and Managing Director and acquired control of that company in 1967 on behalf of the J. D. Burton Settlement, a trust established by him for the benefit of his family. He implemented a programme for expansion based upon concentrating on the manufacture of winches and developing international markets.

During the following ten years, distribution centres were progressively established in the Group's major overseas markets, namely in the USA and in Continental Europe. The European distribution centres now consist of one in France covering Southern Europe and one in Sweden covering Scandinavia, whilst North America is serviced from Rhode Island, California and Ontario. The Group's central production facilities in Havant, which it occupied during 1971, have been expanded to match the growth in sales volumes.

A second factory was established in Ireland in 1976 by Waterford Engineering Limited ("Waterford"), which manufactures brass and aluminium alloy diecastings for Lewmar.

In June, 1983, there was a significant expansion in the US with the acquisition of Navtec, which the Directors believe to be the world's leading manufacturer of rod rigging and hydraulic mast control systems, to complement Lewmar's existing expertise in sail control systems.

The prospectus treats as part of the Group those companies which have been under common management during the period reviewed, including Waterford and Navtec which were directly owned by the Trustees of the J. D. Burton Settlement until July, 1985, when they were transferred to the Group.

BUSINESS

A. PRODUCTS

Winches: Lewmar manufactures manually, hydraulically and electrically operated winches for yachts of sizes ranging from 20 feet to over 100 feet. Specific customer needs are met by the manufacture of a range of winches with a variety of speeds and sizes. In general, the power and sophistication of the winch is commensurate with the size of the yacht. The sales price of a typical set of winches for a 30 foot yacht is approximately £500. However, a single large winch can retail at up to £10,000. To comply with international racing regulations, winches must be

driven manually on racing yachts and Lewmar supplies linked winch systems where several winches are connected by a series of gearboxes, clutches and couplings to pedestals where up to ten men supply the necessary power. Winches and winch systems are engineered to high specifications to minimise weight and to maximise speed, efficiency and reliability under

For large cruising yachts, winches can be driven either electrically or hydraulically and Lewman has pioneered the use of microprocessor-controlled hydraulics with simple "push button" controls. The principal application of these products is where it is desired to minimise the

Deck hardware: The "Lewmar" range of hardware is designed to work together as an ntegrated system to give an efficient deck layout. Products include solent blocks, boom vangs, foot blocks, snatch blocks, mainsail systems, genoa systems and snapshackles.

Mast Control Systems

Rod rigging: The Directors believe that the Group is the world's leading supplier of solid rod rigging systems for yachts. Solid rod rigging has, until recently, been largely restricted to competitive racing and high performance production boats because, although it has advantages over conventional wire rigging in terms of reduced stretch and drag, it is more expensive. As a result, rod rigging currently represents a small proportion of the world's total rigging market. A complete "Navtec" rod rigging system for a 40 foot yacht retails for approximately £2,500. However, recent advances by the Group have decreased the cost ferential between rod and wire rigging. "Navtec" rod rigging is therefore increasingly likely to be specified by builders and yachtsmen.

Hydraulic systems: Navtec also manufactures hydraulic pumps and rams, an important part of many larger yachts' overall mast and sail control systems. Hydraulic controls are becoming increasingly used on vachts where a high load must be applied over a short distance. In particular, they allow the crew to bend the mast, and thus control sail shape, more easily. A set of hydraulic controls can sell for as little as £500 for a typical 35 foot yacht, but hydraulics for large, sophisticated yachts can cost up to £28.000.

Others

Hatches: The Group manufactures a range of hatches and portlights for yachts and power boats. These products have been designed to overcome many of the problems associated with traditional hatches and portlights by incorporating a number of innovative features.

iling dinghies: In June, 1983, the Group acquired Sailskiff Sportscraft Limited ("Sailskiff"), whose principal business is the manufacture and distribution of sailing dinghles under the brand name "Tonic". In the year ended 28th February, 1985, this activity accounted for less than one per cent. of Group turnover.

Analysis of Sales

3.4%

An analysis of the Group's sales by product for the three years ended 28th February, 1985 is set out below:

1983 £'000 £'000 £'000 per cent. 7,312 9.384 10,581 Sail control systems 71 Mast control systems 1,629 2.954 20 575 821 Others (including hatches) 1,275 7,887 11.834 14.810 100 *Navtec was acquired in June, 1983. Sales of mast control systems during the year ended

28th February, 1984 represent Group sales of Navtec products since its acquisition. The majority of the Group's sales over the last three years is accounted for by sail control products, primarily winches. The Group has, however, reduced its dependence on these products over the same period by successful diversification into product lines with good growth potential. This has been achieved both by the move into mast control systems on the acquisition of Navtec and by a significantly increased penetration into the hatch market. Sail control products have also provided the major contribution to Group pre-Lax profits over

the last three years. Increasingly significant contributions have however been earned in 1984 and 1985 from rod rigging and hatch manufacture.

The manufacture of the Group's products requires a wide range of base materials and the Group has more than 500 suppliers. In the year ended 28th February, 1985, no single supplier accounted for more than 8 per cent, of total purchases.

The Directors place great emphasis on innovation. In the year ended 28th February, 1985, total expenditure on design and development, including externally funded development, amounted to approximately £530,000. The Group employs a well-qualified, inventive and enthusiastic design team, which has pioneered advances in a number of areas, including the development of three-speed winches, the intro-

duction of cross-linking on winch systems and the use of microprocessor-controlled hydraulics. As in the car industry, international racing is the forum in which the latest equipment is tested



and proven for subsequent volume production. Lewmar is a leading supplier of sailing equipment to racing yachts, and therefore is able to evaluate product Innovations under testing conditions, whilst enhancing sales prospects through the publicity attaching to racing success. The design team has recently completed several new projects which are now entering production, including improvements to its more sophisticated winching systems for the 12 metre racing market, a new model of winch for large cruising yachts, an extended range of hydraulic winch systems for small yachts, a redesigned range of rigging screws and a range of

D. PATENTS

The Directors' policy, where possible, is to obtain and enforce patents on all product innovations. Lewmar has a total of 39 registered patents, 15 pending applications for registration and 10 registered trademarks extending into the 1990's in a number of jurisdictions.

E MANUFACTURING

The Group manufactures the entire product line, with the exception of certain specialist engineering operations, which are subcontracted.

The manufacturing facilities, details of which are given under "Premises" below, are organised under the "group technology" system. The Company was one of the first organisations in the UK to pioneer this concept. Under "group technology", production is organised into cells. Each cell performs a series of production processes to produce the parts from which finished products are assembled. The process has the advantage of increasing production efficiency by cutting lead times and also has intangible benefits in training employees in a variety of skills and Increasing job satisfaction.

The Group has a continuing capital investment programme to update production technology, including the introduction of robotic and CNC (computer numerically controlled) machinery. The combination of this programme and the application of "group technology" has enabled the Group to increase productivity significantly.

Rigorous quality control procedures are employed throughout the manufacturing process to ensure that finished products meet the precise tolerances and specifications required.

F. MARKETING

The Group's marketing strategy has been to establish its own sales and distribution outlets in the principal yacht manufacturing centres around the world and to use independent distributors or ents elsewhere. This policy has given the Group international coverage for its products, on which it has based a high quality customer service to boatbuilders around the globe. The Group's main products are sold under the "Lewmar" or "Navtec" brand names, which enjoy a good reputation with yachtsmen the world over. This enables the Group to market its products as a co-ordinated range of equipment which will provide the discerning buyer with an integrated sailing system for his vessel. The sales team has utilised the Group's reputation for "state of the art" design, quality production and customer service to achieve significant sales growth in recent years.

An analysis of the Group's sales by geographical area for the three years ended 28th February,

| 1,703, 13 83 10110473. | v | ear ended 3 | 3th February, | |
|---|---------------|---------------|---------------|-------------------|
| | 1983 £'000 | 1984 £'000 | 1985 £'000 | 1985 per cent. |
| United Kingdom | 809 | 1,061 | 1,344 | 9 |
| Continental Europe | 3,941 | 4,729 | 6,005 | 40 |
| North America | 2,508 | 5,073 | 6,327 | 43 |
| Rest of the World | 629 | 971 | 1,134 | . 8 |
| | 7,887 | 11,834 | 14,810 | 100 |
| Carrante land in the second share we have | | | | |

Group sales have improved throughout the period in all major markets. A significant part of the increase in North America resulted from the acquisition of Navtec.

The Group sells almost exclusively to boatbuilders and to independent distributors and agents for supply to smaller manufacturers and ship chandlers. Consequently, the Group has a relatively small number of customers and only rarely supplies equipment directly to the end-user. However, in the year ended 28th February, 1985, the largest customer accounted for less than 5 per cent. of turnover.

PREMISES

The Group's principal manufacturing premises and head office are located at Havant in Hampshire. Additional manufacturing plants are located at Waterford in Ireland and Littleton, Massachusetts in the US.

The Directors believe that the Group's existing manufacturing premises are capable of meeting production requirements for the foreseeable future.

Details of the principal premises occupied by the Group are set out in paragraph 3 of "Statutory and General Information" below.

MANAGEMENT AND EMPLOYEES

DIRECTORS

The Directors of the Company are:

John Burton, MA, Chairman, aged 53, has an engineering degree from Cambridge University. He joined Lewmar Marine Limited in 1966 as Chairman and Managing Director after working with GEC in manufacturing and with McKinsey as a business consultant. Since his appointment, Mr. Burton has been involved in all aspects of the Group's development.

rtin Jay, MA, Managing Director, aged 45, has an economics de University, After seven years with BP, he joined GEC in 1969 and held a number of senior management positions. Prior to joining Lewmar, he was a member of the GEC UK Board of Management and supervisory managing director of three subsidiaries. He was appointed Managing Director of the Company in June, 1985.

Thomas Eliassen, BSc (Eng.), MBA, aged 42, has overall responsibility for the Group's US operations. The holder of an engineering degree from Princeton University and a Baker Scholar from the Harvard Business School, he worked on the US atomic submarine programme between 1965 and 1970. In 1972, he became a minority shareholder and employee of Navtec and joined the Group in 1983 upon its acquisition of Navtec. He was appointed a Director of the Company in June, 1985.

David Heaton, BSc, FCA, aged 41, is Company Secretary and Director responsible for finance. The holder of a science degree from London University, he qualified as a chartered accountant with Spicer & Pegler. He was employed by Lucas Industries in its automotive and aerospace divisions for eleven years, including five years in North America. Prior to his appointment as a Director of the Company in June 1985, he was corporate treasurer and company secretary of Systime for ten months.

John Huggett, aged 43, is responsible for product design and development, project engineering, quality control and special products in the UK. He joined the Group in 1972 as a design engineer and has had responsibility for technical developments in the Group's UK operations since 1974. Prior to 1972, he had over ten years' previous experie engineering and design. He was appointed a Director of the Company in June. 1985.

Charles Bystram, BA, non executive, aged 55, is a director of United Biscuits and managing director of United Biscuits International. He joined United Biscuits in 1965, since when he has been involved in marketing and general management. He was appointed a non executive Director of the Company in October, 1984.

EMPLOYEES

As at 28th February, 1985, the Group had a total of 328 employees, including executive directors, of whom 235 were employed in the United Kingdom and Ireland, 79 in North America and 14 in Continental Europe. The Group's employees were broadly divided into Directors and management, 36, production, 228 and technical and administrative, 64.

The Directors believe that they have a committed workforce which welcomes changes in

working practices and technology. Staff relations at all levels are good. The Group provides a pension scheme for its UK employees, which is not contracted out of the State scheme. In addition, the Group provides pension benefits under an executive pension scheme for John Burton. Separate arrangements are in force for certain overseas

employees. The Company established the Lewmar plc Employee Share Option Scheme in December, 1984. Further details of the Scheme, including details of options granted to date, are set out in paragraph 12 of "Statutory and General Information" below. A proportion of the shares being offered for sale has been reserved in the first instance for applications from eligible Directors and employees. Further details are set out in paragraph 13 of "Statutory and General

PROFITS AND FINANCIAL POSITION

The table below summarises the results of the Group for the five years ended 28th February,

| 1399' Lauruct dérgie sue sei | ont in the Vcconi | | | | |
|------------------------------|-------------------|--------|-------------|----------|---------|
| | | Year e | nded 28th F | ebruary, | |
| | 1981 | 1982 | 1983 | 1984 | 1985 |
| | £'000 | £'000 | £'000 | _£.000 | €'000 |
| Turnover | 5,832 | 6,687 | 7,887 | 71,834 | 14,810 |
| Profit before taxation | 385 | 907 | 1,158 | 1,821 | 2,822 |
| Taxation | (77) | (365) | (393) | (652) | (1,156) |
| Profit after taxation | 308 | 542 | 765 | 1,169 | 1,666 |
| Earnings per share | 1.5p | 2.6p | 3.7p | 5.6p | 8.0p |
| | | | | | |

During the five years ended 28th February, 1985, the Group's sales have grown strongly in both volume and monetary terms. In the same period, profits before taxation increased by over seven times. Lewman's strong trading performance reflects underlying growth in sales volumes which have had a more than proportionate effect on profits because of the Group's relatively fixed overhead base. Furthermore, the acquisition of Navtec in June, 1983 has added significantly to Group turnover and profits during 1984 and 1985.

The profits reported for the period have been favourably influenced by the effect of fluctuating exchange rates, particularly the depreciation of sterling against the US dollar. Most of the Group's costs are incurred in sterling but over 75 per cent. of sales are made in foreign currencies. The Directors limit exposure to currency risk, by the use of forward exchange contracts, where considered appropriate.

The Group's taxation has fluctuated throughout the period, reflecting changing profit contributions and tax rates in the various countries in which the Group operates. The impact of taxation has also been affected by the Group's policy of partial provision for deferred taxation in the UK, as a result of which the tax charge has been directly affected by its ability to take advantage of available tax allowances on a continuing basis. The Group's tax charge in relation to profits before taxation rose in 1985 to 41 per cent. reflecting the abolition in the UK of stock relief and the reduction of capital allowances on plant and machinery in that year.

EARNINGS PER SHARE

On the basis of the 20,712,735 Ordinary shares which will be in issue following the offer for sale (excluding the 3,120,000 Ordinary shares now being issued by the Company for cash) earnings per share for the year ended 28th February, 1985 were 8.0p on the Group's actual tax charge of 41 per cent., and 8.9p on a notional tax charge of 35 per cent.

PRICE/EARNINGS RATIO

At the offer for sale price of 110p, the price/earnings ratio is 13.7 times on the basis of the actual tax charge and 12.4 times on the notional tax charge.

DIVIDENDS

In the absence of unforeseen circumstances, the Directors intend to recommend a final dividend of 1.54p per Ordinary share (2.2p including the associated tax credit) in respect of the year ending 28th February, 1986, which will be payable in August, 1986 and thereafter to pay erim and final dividends in about January and August in each year. If the Company's shares had been publicly held throughout the current year, the Directors would have expected to recommend dividends totalling 2.625p net per Ordinary share. At the offer for sale price, this would have represented a gross dividend yield of 3.4 per cent. and the dividend would have been covered 3.1 times.

THE FUTURE

REASONS FOR AND PROCEEDS OF THE OFFER FOR SALE The Group's growth to date has been funded through retained profits and borrow However, the Directors have decided that it is now appropriate to seek entry to the Unlisted Securities Market, primarily in order to provide access to equity funding to finance future growth. It is the Directors' intention that the Group should continue to expand internationally, both by internal growth and by making acquisitions in related fields. No specific acquisition is being contemplated. The Lewmar plc Employee Share Option Scheme, combined with the market in the Company's shares, will assist the Group in attracting and retaining key

Phillips & Drew are therefore offering for sale 6,000,000 Ordinary shares in the Company, of which 3,120,000 are new shares being issued by the Company and 2,880,000 are being sold by the Trustees of the J. D. Burton Settlement, the principal shareholders of the Company, who will hold 73.8 per cent. of the issued share capital following the offer for sale. The net proceeds of the offer for sale payable to the Company will be approximately £3 million, which will be applied initially to reduce borrowings and to supplement the working capital of the Group.

CURRENT TRADING AND PROSPECTS

Since admission to the Unlisted Securities Market is taking place after only four months of the Group's financial year, the Directors do not consider it prudent for a forecast to be given for the current year. However, the current financial year has started satisfactorily with the Group experiencing a healthy improvement in turnover.

Both trading results and the Balance Sheet will continue to be affected in the future by ments in sterling against the major overseas currencies in which the Group receives the bulk of its income. However, the Directors intend to continue the policy of limiting this exposure by using forward exchange contracts where they consider it prudent and appropriate to do so. In the Group's last completed financial year, this resulted in hedging in erms of sterling of over one third of the Group's net cash flow in non-sterling currencies.

The winch market overall appears to have only modest growth prospects, but the market for large yachts is growing strongly. The Directors believe that Lewmar is well placed to continue to improve sales and profitability in the high specification winch market by an increasing concentration on sophisticated higher added value products. Lewmar already has orders to equip nine 12 metre racing yachts for the next America's Cup in 1987.

The Group has only a small share of the world deck hardware market. However, this market is largely fragmented, with boatbuilders relying heavily upon specialist manufacturers of individual product lines. The Directors believe that the Group's integrated range of sailing systems and equipment and its internationally recognised "Lewmar" and "Navtec" brand names will help to increase its share of the deck hardware market. "Navtec" rod rigging presents good growth potential. Its merits are well known to vachtsmen

rigging are expected to grow rapidly at the expense of conventional wire rigging as rod rigging becomes increasingly competitive in price. Navtec is at the forefront of this market and w placed to benefit from these developments. Directors expect the Company's market share to continue to grow and Lewmar has recently begun to sell hatches to builders of motor boats, which represents a new market for the

and, while at present it accounts for only a small share of the total rigging market, sales of rod

Group. A range of portlights has been added this year and has been well received. . The Directors are confident that there is considerable scope for further expansion of the Group's business. Lewmar is in a good position to introduce new products and to take advantage of suitable opportunities to make complementary acquisitions as they arise, because of its reputation for quality and service and also because of its existing international sales and distribution network.

Over the last few years, the Group has grown rapidly and the Directors are confident that the quality of its products will ensure Lewmar's continuing success.

ACCOUNTANTS' REPORT

The following is the text of a Report received from Arthur Andersen & Co., Chartered Accountants, the reporting 12th July, 1985

The Oirectors

The Partners, Phillips and Drew

Lewmar plc ("the Company") was incorporated on 26th August, 1969 as Marine Systems Limited and changed its name to Lewmar plc on its re-registration as a public company on 10th June, 1985.

On 1st luly, 1985, the Company, through a subsidiary, acquired for cash the entire common stock of Lewmar Marine Systems, Inc. ("Lvt5i") and its subsidiaries, from the Trustees of a settlement established by I.D. Burton in April, 1966 ("the I.D. Burton Settlement"), who at that date held beneficial ownership of all the common stock of the Company. On 3rd June, 1983, LMSI acquired for cash Naviec Inc. ("Naviec"), from unconnected parties.

On 3rd July, 1985, Waterford Engineering Limited ("Waterford"), another subsidiary of the Company, purchased for cash the trade and trading assets and liabilities of Burton Enterprises (C.I.) Limited (which changed its name from Waterford Engineering Limited on 20th June, 1985), a company also owned by the Trustees of the J. O. Burton Settlement.

The financial information presented below is based on the audited accounts of the Company and its subsidiaries ("the Group") applying the accounting policies set out below, after making such adjustments as we consider necessary. The principal adjustments are those necessary to reflect income and expenditure and related assets and liabilities of Group companies which have been under common management throughout the five years ended 28th February, 1985 so as to arrive at the financial information that would have been reported had those companies formed part of the Group throughout that period.

We have examined the balance sheet of the Company and the consolidated balance sheet of the Group at 28th February, 1985 and the consolidated statements of profit and loss and consolidated statements of source and application of funds for the five years ended on that date, prepared on the basis described above in accordance with approved Auditin

In our opinion, the financial information shown below, which has been prepared under the historical cost convention as modified by the revaluation of certain fived assets, gives a true and fair view of the state of affairs of the Company and Groups as at 28th February, 1985 and of the profess and source and application of funds of the Group for each of the five years ended 28th February 1981, 1982, 1983, 1984 and 1985 on a consistent basis.

ACCOUNTING POLICIES

The principal accounting policies which have been adopted in presenting the financial information set out in this report are as follows:

The financial information set out below has been prepared under the historical cost convention as modified by the revaluation of certain long leasehold buildings and investments in subsidiary companies. (b) Basis of Consolidation

nomeasure rmation includes the accounts of the Company and all of its subsidiaries, prepared on the following basis Profe and loss

Income and expenditure of all Group companies are included in the profit and loss account from the date of their acquisition by the J.D. Burton Settlement.

All inter-company transactions have been eliminated. Balance sheet

The Group balance sheet at 28th February, 1985 has been consolidated using the principle of acquisition accounting, in view of the consideration passing between the parties to acquire those companies which now form the Group. Geodwill arising on acquirition frepresenting the excess of purchase consideration over net assets acquired has been written off to distributable reserves at the date when the results of subsidiaries acquired fall to be included in the profit and loss account. Any excess of the law value of net assets acquired over purchase consideration is credited to a non-distributable capital reserve.

All inter-company balances have been eliminated.

(c) Tampible Fixed Assets
Long leasehold buildings are shown at original historical cost or subsequent valuation. Other fixed assets are shown at

Depreciation is provided at rates calculated to write off the cost or valua straight. line basis over their estimated useful fives as follows:

Long leasehold buildings Machinery and equipment Motor veh

(d) Intangible Fixed Assets Intangible fixed assets Comprise patents. The capital cost of patents is amortized over their unexpired life.

(e) Investment in Subsidiary Companies in the Company's balance sheet, investments in subsidiaries are stated at cost, plus such portion of the increase in underlying net assets of its subsidiaries since acquisition as will reflect in the accounts of the Company the full net asset value of those subsidiaries. Such revaluations are credited to a non-distributable revaluation reserve. Only dividends received or receivable are credited to the Company's profit and loss account. (e) Investment in Subsidiary Compar

The Directors consider this policy, as opposed to starting investments at cost, more fairly represents the Company's

(f) Current Asset Investments
Current asset investments are stated at cost.

Furniture and fittings

stocks are stated at the lower of cost and net realisable value. Cost incurred in bringing each product to its present location and condition is based on:

- purchase cost on a first-in, first-out basis Raw materials cost of raw materials and labour plus a reasonable proportion of manufacturing overheads based on normal levels of activity Work-in-progress and finished goods Net realisable value is based on estimated normal selling price less further costs expected to be incurred on comple and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Tax on corporate profits is provided at the rate in force in the relevant jurisdiction during each accounting period. sterred taxation is not provided where, in the opinion of the Okrectors, there is reasonable evidence that such taxation If not become payable in the foresceable future (at least three years) and there is no indication that the situation is likely

Deferred taxation represents the amount required to allow for the effect of certain items of income and expense being attributable for tax purposes to periods different from those in which credits or charges are recorded in the accounts.

liabilities are funded on the advice of external actuaries. by payments to independent trusts or to insurance es. Payments made to the funds and charged in the accounts comprise current and past service contributions, sent actuarial valuations on a going concern basis are Carried out every three years.

rmal trading transactions denominated in foreign currencies are recorded in sterling at the exchange rates on the dates the transactions. Monetary assets and liabilities are reported at the rates of exchange prevailing at the year end. Any 1 or loss arising from a change in exchange rates subsequent to the date of the transaction is reflected in the profit and

In the Group accounts, and for the purposes of the valuation of investments in the accounts of the Company, the closing rate/net investment method is used under which translation gains or losses are shown as a movement on reserves. Profit and loss accounts are translated at the average exchange rates.

(k) Turnover
Group turnover comprises the value of sales (excluding VAT, trade discounts and intra-group transactions) of goods and services in the normal course of business.

(f) Research and Development All research and development costs are written off as incurred.

(m) Revaluation Reserve

a measuration reserve e surplies and the revaluation of long leasehold properties and the Company's share of the post acquisition aimed profit and reserves of its subsidiaries are credited to a revaluation reserve, which is not distributable. Where preciation charges are increased following a revaluation, an amount equal to such increase is transferred annually in this reserve to the profit and loss account. On the disposal of a revalued asset, any remaining revaluation surplus responding to the item is also transferred to the profit and loss account.

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

| | Notes | 1981 £1000 | 1982 £'000 | 1983 £'000 | 1984 £'000 | 1985 £'000 |
|--|--------|-------------------------|------------------------|------------------------|------------------------|------------------------|
| Turnover Cost of sales | 1, 2 | 5,832 (4,270) | 6,687 (4.859) | 7,887 (5,587) | 11,834 (8,118) | 14,810 (9,625) |
| Gross profit Other operating expenses Other income/(expenses), net | 3 4 | 1,562 (1,175) (2) | 1,828 (897) (24) | 2,300 (1,171) 29 | 3,716 (1,937) 42 | 5,185 (2,380) 17 |
| Profit on ordinary activities before taxation Taxation on profit on ordinary activities | 5 | 385 | 907 | 1, 158 | 1,821 | 2,822 (1,156) |
| Profit for the year Proposed dividend | 6 | 308 | 542 | 765 | 1,169 | 1,666 |
| Retained profit for the year Earnings per share | 7 | 1.5p | <u>542</u> 2.6p | 765 3.7p | 1,169 5.6p | 8.0p |

Year Ended 28th February

BALANCE SHEETS AT 28TH FEBRUARY, 1985

| | Notes | Group | Company |
|--|--------|---------|------------------|
| | | £000 | £:000 |
| Fixed assets: | | | |
| Intangible assets | 8 | 77 | |
| Tangible assets | 8 9 | 2,297 | _ |
| Investment in subsidiaries | 10 | | 5,318 ··· |
| | | 2,374 | 5,318 |
| | | 41274 | |
| Current assets: | | | |
| Stocks | 71 | 5,502 | _ |
| Debtors | 12 | 3,972 . | 1,734 |
| investments | 13 | 510 | 51 <u>0</u> |
| Cash at bank and in hand | | 984 | <u> </u> |
| | | 10,968 | 2,253 |
| Creditors: — Amounts falling due within one year | 14 | (4,962) | (1 <u>,02</u> 7) |
| Net current assets | | 6,006 | 1,226 |
| Total assets less current liabilities | | 8,380 | 6,544 |
| Creditors: - Amounts falling due after more | | | |
| than one year | 14 | (1,769) | |
| Provisions for liabilities and charges | 16 | (67) | _ |
| Net assets | | 4 544 | 6,544 |
| 1 | | 6,544 | 0,344 |
| Capital and reserves: | | | |
| Called-up share capital | 17 | 4,400 | 4,400 |
| Capital reserve | | 150 | |
| Revaluation reserve | 18 | 373 | 1,398 |
| Profit and loss account | 79 | 1.621 | 746 |
| Total capital employed | | 6,544 | 6.544 |
| | | 0,344 | 6,344 |

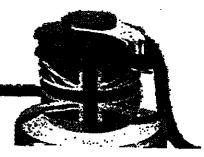
CONSOLIDATED STATEMENTS OF SOURCE AND **APPLICATION OF FUNDS**

| | | | Year | Ended 28th F | ebruary. | |
|---|-----------|-------------|--------------|--------------|--------------|------------|
| • | | 1981 | - 1982 | 1983 | 1984* | 1985 |
| | | £'000 | £'000 | £'000 | £1000 | €1000 |
| Source of funds: Profit before taxation Add/(deduct) items not movement of funds during the year: | involving | 385 | 907 | 1,158 | 1,821 | 2,822 |
| Depreciation of tangible fixed assets Exchange adjustments and others | | 184 (31) | 151 6 | 293 (15) | 392 (84) | 459 240 |
| Total funds from operations Sale of untible fixed assets | | 538 90 | 1,064 | 1,436 59 | 2,129 67. | 3,521 |
| Loans received | | | | = | - 289 | 334 |
| | | 628 | 1,067 | 1,495 | 2,485 | 3.886 |
| Application of funds: | | | | | | |
| Purchase of tangible fixed assets Purchase of intangible fixed assets | | 167 | 105 | 459 | <i>7</i> 74 | 886 |
| Taxation paid | | _ | 190 | 24 | 440 | 488 |
| Repayment of loans | | 4 | 7 | 5 | . – | _ |
| Increase/(decrease) in working capital: Stocks | | (817) | 312 | (114) | 1,022 | 2,081 |
| Debtors Investments | | 95 | 290 | 160 | 817 | 805 |
| Creditors falling due within one year | | 352 | 500 (349) | 65 | 10 | |
| C. CONG. > IS ADD. WILLIAM ONE YEAR | | | | | (635) | (515) |
| | | (199) | 1,055 | 599 | 2,499 | 3,745 |
| Movement in net liquid funds | | 827 | 12 | 896 | [14] | 141 |
| Represented by: Increase/idecrease) in cash at bank | | | | | | |
| and in hand Uncrease/idecrease in short term bank | | (6) | 6 | 908 | 327 | 746 |

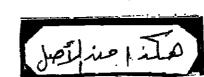
"The effect of the acquisition for cash of Navtec on the statement of source and application of funds for the year ended 28th February, 1984 is as follows:

827

615



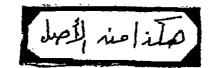
(7.2)



.

7-14

٠,



| Burn our grown and the state of | | |
|---|--|--|
| | | |
| | | |
| OTES Naviec | 14. Creditors At 28th February, 1985 creditors comprised: Group Comprised: | (d) At an Editaordinary General Meeting of the Company held on 22nd May, 1985, resolutions were paramy (i) change the name of the Company to "Lewmar ple" and re-register the Company as a public |
| results of Naviec are set out below. These results have not been included in the consolidated statement of profit and prior to the acquisition of Naviec by Lewmar Marine Systems, inc. on 3rd june, 1983. Year Ended 28th February. | Amounts lalling due within one year: Trade creditors 1,258 | £ 000 Un amend the Memorandum and adopt new Articles of Association. (et On 22nd May, 1985, pursuant to an agreement made in December, 1984 with C. A. Bystram, a Director of the Company, the Company. |
| 1981 1982 1983 1984 1985 £000 £000 £000 £000 £000 mover 951 1,476 1,590 2,254 3,207 | Bank overdrafts – unsecured 211 Bank overdrafts – secured 370 Current portion of loans (Note 15) 210 | granted to him an option to subscribe for 100,374 Ordinary shares of 25p each at a price of 4t tas adjusted) evercisable on or bettere 31st December, 1989; and |
| RE before taxation 80 50 103 84 249 | Other creditors: UK Corporation tay payable 1,095 Overseas tay payable 55 | (ii) allotted to him 232,727 Ordinary shares of 25p each at the same price (as adjusted). (f) On 30th May, 1985, Lewman Netherlands B.V., a wholly-owned subsidiary of Lewman Marin incorporated in the Netherlands, which company acquired on 14 July, 1985 all the common stock of the |
| t profit | Social security and PAYE 70 Accrusk 693 | Systems, Inc. the holding company of Naviec) from the Trustees of the J. D. Burton Settlement for a cash of US\$830,496. 1,000 (g) On 3rd July, 1985, Lewmar Netherlands B.V., acquired the whole of the issued chare capital. |
| nover is split by geographical market as follows: Year ended 28th February, | | 1,027 Enconcering Lammed (cornerly Legenwood Lambed), a company which had not previously traded, for a case of IRL2 and subscribed for 9,998 shares for IRL1 each paid in cash. (h) On 3rd July, 1985, Waterford Engineering Limited acquired from Burton Enterprises (C.) I Limited |
| 1981 1982 1983 1984 1985 £000 £000 £000 £000 £000 | Accounts falling due after more than one year: Long term portion of loans (Note 15) UK Corporation Tax Payable 1.075 | Waterford Engineering Limited), also owned by the Trustees of the J. D. Burton Settlement, all its trade an and flabilities for a cash consideration of IRE90,957. |
| Inited Kingdom 576 681 809 1,061 1,344 onthiental Europe 2,950 3,118 3,941 4,729 6,005 toth America 1,848 2,300 2,508 5,073 6,327 | 1,769 | (i) At the Annual General Meeting of the Company held on 12th July, 1985, resolutions were passed to: (ii) sub-divide each Ordinary share of £1 each into four Ordinary shares of 25p each; (iii) imcrease the authorised capital of the Company to £7,250,000 divided into 29,000,000 Ordinary shares. |
| 5,832 6,687 7.887 11,834 14,810 | | 25p each; (iii) authorise the Directors, pursuant to Section 80 of the Companies Act 1985 (such authority to July, 1986) to allot relevant securities has defined in that Section) limited to the amount of |
| Other Operating Expenses | 15. Loans The Group's loans at 28th February, 1985 comprised: | authorised share capital of the Company and to empower them ipursuant to Section 95 of that cash equity securities tas defined in Section 94 of that Acti to the value of £1,142,500 as if \$ Group that Act did not apply to the allotment; |
| Yéar ended 28th February, 1981 1982 1983 1984 1985 £'000 £'000 £'000 £'000 | 10% Montgage foan 1990 US\$ bank foan 1984/87 | 2000 try: capitalise the sum of £728, 182, being part of the sum to the credit of the Company's reserves and instructing the Directors to apply the same in paving up in full at par 2,912,727 unissued of 25p each in the capital of the Company and to allot and de-inhulti-such shares, credited as to a support of the present research is brighter of Ordinary shares in the Company and to a support of the present research is brighter of Ordinary shares in the Company and the shares of the present research is to find the same of the company and the shares of the company and the same of the same |
| Tribution expenses 763 503 737 1,006 1,143 ninistration expenses 412 394 434 937 1,237 | US\$ bank loan 1985/90 US\$ 10% loan note 1985/88 | 418 319 48 319 497 497 497 498 498 498 499 499 499 499 499 499 499 |
| 1,175 897 1.171 1,937 2,380 | The loans are repayable as follows: | 904 (j) On 12th July, 1985, pursuant to the Lowmar pk. Employee Share Option Scheme (which was unended 1985), options were granted to M. Jay, T. R. Elassen and D. L. Heaton to subscribe for 336, 363, 45, 4 Options who see the parts and to M. Options when the formal parts and to M. Options when the formal parts and to M. Options when the parts and to M. Options who provides to subscribe for an approximate or 209, 200. |
| following items are included in other operating expenses above: clors' emoluments: 102 93 153 341 255 pension fund expenses 34 46 47 36 49 items' remuneration 14 17 28 38 52 | between one and two years between two and five years over five years | of 25p each, all at the other for sale price. 430 (A) On 12th July, 1985, Lewmar Manne Limited declared and paid a dividend in respect of the year. February, 1985 aggregating £1,720,000 to the Company. |
| itors' remuneration 14 17 28 38 52 reclation of tangible fixed assets 184 151 293 392 459 ortization of intangible fixed assets 6 10 | Amounts falling due after more than one year (Note 14) Amounts falling due within one year (Note 14) | 694 210 (I) On 12th July, 1985, the Directors allotted the bonus shares referred to in paragraph 1(mm) above |
| Other Income and Expenses (set) | The 10 per cent, mortgage loan is secured on certain of the Group's long leasehold buildings. The US dollar bank | (m) At the date of this prospectus, but prior to the offer for sale, the authorized share capital of the 25,0000, divided into 29,000,000 Ordinary shares of 25p each, or which 20,712,735 have been exported as fully paid, in addition, a turther 3.120,000 Ordinary shares of 25p each will be allotted to Phi subscription pursuant to the other for sale agreement referred to an paragraph 4 below. |
| Year ended 28th February, 1981 1982 1983 1984 1985 | The 10 per cent, mangage loan is secured on cenant of the Group's long tessential dustaings. The US dollar loan note is unsecured. | (n) Following the offer for sale, 5.167,265 Ordinary shares of 25p each in the Company will representing 17.8 per cent. of the authorised share capital, Save relation to the Lemma pic Employe Scheme and the options referred to in paragraph 1(c), (c), (i) and (o), the Directors have no present one. |
| £000 £000 £000 £000 £000 rest expense and charges (40) (10) -(9) -(33) (111) rest income — -43 -60 144 | 16. Provisions for Liabilities and Charges | any such shares and, except with the prior approval of the Company in general meeting: (i) no issue will be made which will effectively after the control of the Company or the nature and |
| (2) (24) 29 42 17 | (a) At 28th February, 1985 the provisions for liabilities and charges consisted of deferred taxation as follow Ground £ 00 | no material issue of shares fother than to holders of Ordmary shares pro rata to their existing h made within one year from the date of this prospectus. |
| | Deferred taxation arising on a statutory investment fund required to be held by an overseas subsidiary | for the bonus issue reterred to in paragraph 1(ii above runhect to approval by the Board of Inland Resent to paragraph 12 below, no capital of the Company or any of its subsidiaries is under option or agreed, or |
| Taxation on Profit on Ordinary Activities taxation charge (credit) comprises: Year ended 28th February, | Excess of tax allowances over depreciation of fixed assets Short term timing differences | 9 (p) Save as disclosed in this paragraph, within the two years immediately preceding public ation of this commissions, discounts, bridgings or other special terms have been granted by the Company or any of a comparison with the issue or sale of any nary of the company or any of the company of the co |
| 1987 1982 1983 1984 1985 £'000 £'000 £'000 £'000 £'000 | | (q) Save as disclosed in this paragraph, no capital of the Company or any of its subsidiaries has been in two years immediately preceding publication of this prospectus or is agreed or proposed to be issu |
| ent – United Kingdom Corporation Tax 93 365 393 611 1,092 ent – Overseas tax 2 — 19 117 erred (18) — 22 (53) | (b) If full provision had been made, the total provision for deferred taxation would have been: | otherwise. |
| 77 365 393 652 1,156 | . <u>£000</u> | ppany 2. Subsidiaries 2. Subsidiaries Details of the subsidiaries of the Company are set out below. All subsidiaries are wholly-owned private co |
| Group treation charge is calculated based on the taxation rates in force in each year. The deferred tax element is a don the rates applicable when the timing differences are expected to reverse. | Excess of capital allowances over depreciation of fixed assets 386 Unrealised surplus on revaluation of properties 72 Unrealised profit on sale of current asset | Principal Issued share Date of Place of activity Capital incorporation in orp Lewmar Marine Limited Manufacturing £75,000 27th February, 1959 England |
| Dividends Sividends were declared or paid by the Company during the period under review, except for a linal dividend of | investment 70 Deferred taxation arising on a statutory investment fund required to be held by an overseas subsidiary 112 | 70 Muletree Limited Property and leasing £100 27th lune, 1980 Englar Saikkiff Sportscraft Limited Manufacturing £200 3rd April, 1963 Englar Lewman Netherlands B.V. Holding Df135,000 30th May, 1965 Nether |
| 30,000 proposed in respect of the year ended 28th February 1985. | Short term timing differences (94) | Waterford Engineering Limited Manufacturing IRE10,000 11th April, 1985 Iroland Lewmar Marine Systems, Inc. Holding U55460,000 2nd July, 1983 Massa |
| Enrainegs per share | s gregora di sala | Naviec Inc. Manutacturing US\$315 9th April, 1970 Massa Lewmar Manne Inc. Distribution US\$1 23rd February, 1967 New Y Lewmar Mann AB Distribution SKr 50,000 4th September, 1972 Swede |
| ings per share have been calculated by dividing the profit on ordinary activities after taxation by 20,712,735 being number of Ordinary shares in issue immediately prior to the offer for sale. | 17. Called-up Share Capital At 28th February, 1985 the share capital of the Company, was as follows: | Lewmar Marine Sud-Europe d and SARL Distribution FFr 50,000 27th September, 1978 France |
| intangible Fixed Assets Oth February, 1985 the intangible fixed assets of the Group comprised: | · | 7 pad 5,002 3. Properties |
| Accumulated Net Book Cost Amonization Value £700 £000 £000 | The share capital of the Company was altered after the year-end as a result of: (a) the issue of 50,000 Ordinary shares to Mr. C. A. Bystram, a non executive Director of the Company, on 22nd | The following are details of the principal properties occupied by the Group, all of which are leased: May, Approximate area Current cental |
| 98 23. (c. 1776) | 1985, pursuant to an agreement made in December, 1984, and (b) the approval on 12th July, 1985 of: (i) the sub-division of each Ordinary share of £1 into four Ordinary shares of 25p | and description 7em and reviews South Factory 45,500 sq ft 99 years from £2,400 p.a., Southmoor Lane, factory 1st June, 1970 subject to |
| Tangible Fixed Assets | (B) the increase in the authorized share capital to £7,250,000 (29,000,000 Ordinary shares of 25p each) (Bi) the capitalisation of £728,182 of reserves, and | Havant, review every 21 Hampshire years. North Factory 17,200 sq ft 99 years from £700 p.a. |
| 8th February, 1985 the tangible fixed assets of the Group comprised: Cost or Accumulated. Net Book Valuation Depreciation Value | (iv) the issue of 3,120,000 of new Ordinary shares of 25p each The Company has also granted options in respect of the following shares: | Southmoor Lane, factory and 15th November, subject to Havant offices 1967 review every Hampshire 21 years |
| £000 £000 £000 ost: 290 113 177 | Type Date of grant Number of shares option Pro- | ce per Building 125 6,250 sq ft 25 vears from IRE5,625 p.a. subject t share Industrial Estate factory 1st December, review after 10 vears are Waterford 1976 thereafter at 5 yearly |
| ong leasehold buildings 290 113 177 lachinery and equipment 2,927 1,592 1,335 lachinery and fittings 225 139 86 lotor vehicles 146 63-83 | | Ireland intervals, less a rendal subsidy of IRE1, 1968 p. until 30th November, |
| 3,588 1,907 1,681 akuation (1983): 700 84 616 | Ordinary (25p) 22nd May, 1985 100,374" On or before 31st December, 1989 4(Ordinary (25p) 12th July, 1985 709,066 Between 12th July, 1988 and 11th July, 1995 | .33p 1986 527 Great Road 80,000 sq ft site 5 years from US\$117,000 p.a. 110p Littleton ancluding 18,000 25th July, 1981 |
| 4,288 1,991 2,297 | "As adjusted for the subsequent sub-division and bonus issue. | 110p Lattleton ancluding 18,000 25th July, 1981 Massachusetts og it factory and and thereafter 01460, USA offices, with subject to parking & storage renegodiation |
| ng leasehold buildings had not been revalued, they would have been included at cost of £376,000 less accumulated registron of £133,000. | 18. Revaluation Reserve The revaluation reserve at 28th February, 1985 comprised: | for an additional period of five years |
| | · · · · · · · · · · · · · · · · · · · | npany £1000 In addition, the Group operates from leasehold premises at The Tannery, Havant, Hampshire: Bristol, Rho Newport Beach, California, USA; Oakville, Ontaro, Canada; Sundbyberg, Sweden, La Rochelle, France |
| tovestments in Subdellaries | | |
| | Fixed asset revaluation surplus 373 Surplus on revaluation of net assets of subsidiaries | 1,398 France. |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of | Surplus on revaluation of net assets of subsidiaries | 1.398 1.398 4. Offer for Sale Agreement Provent to a recomment under (as) dated 1.2% below 1.005 between the Comment the Director, the Transfer. |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal saue share Place of Capital | Surplus on revaluation of net assets of subsidiaries | 1,398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Settlement, C.A. Bystram and Phillips & Drew, Phillips & Drew have agreed, subject to permissio led as by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares, in the dealt in on the Unfisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each m? |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of Capital Incorporation Ingland In | Surplus on revaluation of net assets of subsidiaries 373 19. Profit and Loss account The profit and loss account is regarded as distributable. All other reserves in the balance sheet are regard | 1,398 4. Offer for Sale Agreement Pursuam to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Settlement, C.A. Bystram and Phillips & Drew, Philips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary share, in the dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each mil 10th per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1 D. Burton's The agreement provides, inter alia, for the payment by the Company and the Trustees of the 1.D. Burton's |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal saue share Place of Capital incorporation Manufacturing 575,000, England fire United Property and leasing £100 England England Fill of England Fi | Surplus on revaluation of net assets of subsidiaries 373 19. Profit and Loss account The profit and loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Generatives and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Settlement, C.A. Bystram and Phillips & Drew, Philips & Drew have agreed, subject to permission by the Council of The Stock Eschange on or before 5th August, 1985 for all the Ordinary shares in the I dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new formary shares of 25p each min 11th per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1.D. Burton's costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the other for sale, including capital duty, accounting and legal focs, printing and a legal focs, Drew, The valid expenses of the other for sale payable by the Company and the setting. |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal | Surplus on revaluation of net assets of subsidiaries 373 19. Profit and Loss account The profit and loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Generaties and other Financial Commitments (a) Capital Commitments At 28th February, 1985, Capital commitments were: Group Commitments | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Settlement, C.A. Bystram and Phillips & Drew, Philips & Drew have agreed, subject to permissio by the Council of The Stock Eschange on or before 5th August, 1985 for all the Ordinary share, in the dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new have agreed as the permission of the little securities Market and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the J.D. Burton 110p per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the J.D. Burton 1 costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the other for sale, including capital dury, accounting and elgal focs, printing and a and a feet of Philips & Drew, The valid expenses of the other for sale payable whe Company and the solid including the fee to Philips & Drew, are estimated to amount to £470 000 (exclusive of VAT). In addition, a covernant has been given by the Trustees of the 1 D. Burton Settlement and C.A. Bystra shareholders of the Company, not to sell any further Ordinary shares in the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides of the Company prior to the annound the solid provides |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of | Surplus on revaluation of net assets of subsidiaries 373 19. Profit and Loss account The profit and loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Generaties and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup L'000 Authorised but not contracted for Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. | 1,398 4. Offer for Sale Agreement Pursuam to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Trustees of the Stock Exchange on or before 5th August, 1985 for all the Ordenary shares of 159 each mit 110p per share and to purchase 2,880,000 Ordinary shares of 259 each mit 110p per share and to purchase 2,880,000 Ordinary shares of 25p each firm 110p per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the 1 D. Burton costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the other for sale, including capital dury, accounting and legal fees, prizing and a and a fee to Philips & Drew. The total expenses of the other for sale payable by the Company and the Scilin including the fee to Philips & Drew, are estimated to amount to £470 000 (exclusive of VAT). In addition, a coverant has been given by the Trustees of the 1 D. Burton Settlement and C. A. Bystra |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Contrarties and other Financial Commitments (a) Capital Commitments At 28th February, 1985, Capital commitments were: Croup (2000) Authorised but not contracted for Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Litigation The Group has an action against a comperitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approved by the Board of this action may approved that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approved that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approved that the estimated contracted to the Group | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Trusteen Settlement, C.A. Bystram and Phillips & Drew, Philips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares, in the I dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each min 11th per share. The agreement provides, inter alla, for the payment by the Company and the Trustees of the J.D. Burton's costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the offer for sale, including capital dury, accounting and legal focs, printing and a fee to Philips & Drew. The total expenses of the ofter for sale payable whe Company and the solid including the fee to Philips & Drew, are estimated to amount to £470,000 (exclusive of VAT). In addition, a covenant has been given by the Trustees of the J.D. Burton Settlement and C.A. Bystra shareholders of the Company, not to sell any further Ordinary shares in the Company prior to the annound interain results of the Group for the sol months ending 31st August, 1986 without the prior written consolines. 5. Directors' and Other Interests |
| Enough consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of | Surplus on revaluation of net assets of subsidiaries 373 19. Profit and Loss account The profit and loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Geographies and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup Con Littigation The Croup has an action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may appropriate that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may appropriated in the successful. [10] Forward currency contracts | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Button Settlement, C. A. Bystram and Phillips & Drew, Phillips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares of 25p each trift 11th per share and to purchase 2,880,000 Ordinary shares of 25p each from 11th per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the J. D. Button's costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the other for sale, including capital duty, accounting and legal focs, printing and a rich and a fee to Phillips & Drew, are estimated to amount to £470.000 (exclusive of VAT). In addition, a covenant has been given by the Trustees of the J. D. Button Settlement and C. A. Bystra shareholders of the Company, not to sell any further Ordinary shares in the Company prior to the amount interior results of the Group for the so months ending 31st August, 1986 without the prior written consecutive the other tor sale, all of which are beneficial, and which exclude any shares which may be ap Orectors pursuant to the other for sale, will be: |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal | 19. Frofit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard tool-distributable. 29. Gozarantees and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup £1000 Con Linguison The Group fusion action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approximate the successful. In Forward currency contracts At 28th February, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies were required to the future as a hedge against foreign currency fluctuations. (d) Pension arrangements | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Settlement, C.A. Bystram and Phillips & Drew, Philips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares, in the idealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each from 11th per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the J.D. Burton's costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the offer for sale, including capital dury, accounting and legal fees, printing and a fee to Philips & Drew, The valal expenses of the offer for sale payable whe Company and the self including the fee to Philips & Drew, are estimated to amount to £470,000 (exclusive of VAT). In addition, a covenant has been given by the Trustees of the J.D. Burton Settlement and C.A. Bystra shareholders of the Groupary, not to self any further Ordinary shares in the Company prior to the annount interior results of the Group for the sol months ending 31st August, 1986 without the prior written conscious. 5. Directors' and Other Interests 1a) The antoriests tas defined by the Companies Act 1985) of the Directors in the share capital of the Company, not of the offer for sale, will be: Shares per cent. Option J.D. Burton* M. Jay 17,600,008 73.8 N. M. Jay 336,36 |
| iroup consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of activity Capital Incorporation | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard tool-distributable. 29. Gozarantees and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup £1000 Con Lingation The Group fus an action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approximate its successful. Ict Forward currency contracts At 28th February, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies twelve months in the future as a hedge against foreign currency fluctuations. (d) Pension arrangements The UK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a tremnall independent actuarial valuation, which last took place in April, 1984. At that date, the advanced that the scheme was substantially fully funded. | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Trusteen Settlement, C. A. Bystram and Phillips & Drew, Phillips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares, in the I dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each mill 10p per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the J. D. Burton's costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company securities Market and of the other for sale, including capital dury, accounting and legal focs, printing and a lee to Phillips & Drew, The total expenses of the other for sale payable whe Company and the selim including the fee to Phillips & Drew, are estimated to amount to £470,000 (exclusive of VAT). In addition, a covenant has been given by the Trustees of the J. D. Burton Sentement and C. A. Bystra shareholders of the Company, not to sell any further Ordinary shares in the Company prior to the annound interior results of the Group for the sol months ending 31st August, 1986 without the prior written conscipent. 5. Directors' and Other Interests 1a) The antorests tas defined by the Companies Act 1985) of the Directors in the share capital of the Company pursuant to the other for sale, will be: 1 b) Burton* 1 D. Burton* 1 D. Burton* 1 D. Burton* 1 Tr, 600,008 2 T. R. Eliassen Nil — 336,36 Nil — 200,74 Nil — 200,74 Nil — 200,74 |
| Froup consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of Incorporation Inco | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard ton-distributable. 29. Covariantees and other Financial Commitments (a) Capital Commitments At 28th February, 1985, Capital commitments were: Croup Cov Litigation The Group has an action against a compensor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may apprort US\$500,000. It is not possible currently to determine what damages, if any, are likely to be awarded to the Group action is successful. (c) Forward currency contracts At 28th February, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies twelve months in the future as a hedge against foreign currency fluctuations. (d) Pension attrangements The UK Group operates a staff pension fund providing for defined benefits which is externally administered. The surject to a tremnally administered and contracts total foreign administered. The surject to a tremnally administered as the surject to a tremnally administered. The surject to a tremnally administered as the surject to a tremnally administered. | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Trustees of the Surton Settlement, C. A. Bystram and Phillips & Drew, Phillips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares in the Into per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the J. D. Burton's costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company and and a fee to Phillips & Drew, The total expenses of the other for sale payable by the Company and the selim including the fee to Phillips & Drew, are estimated to amount to £470 000 (exclusive of VAT). In addition, a covenant has been given by the Trustees of the J. D. Burton Settlement and C. A. Bystra shareholders of the Company, not to sell any further Ordinary shares in the Company prior to the annount interim results of the Group for the sol months ending 31st August, 1986 without the prior written conscious. 5. Directors' and Other Interests 10 the mitigates and Other Interests 11 The anterests tas defined by the Companies Act 1985) of the Directors in the share capital of the Company prior to the annount for the order tor sale, all of which are beneficial, and which exclude any shares which may be approved to the order tor sale, all of which are beneficial, and which exclude any shares which may be approved to the order tor sale, all of which are beneficial, and which exclude any shares which may be approved to the order tor sale, all of which are beneficial, and which exclude any shares which may be approved to the order tor sale, all of which are beneficial, and which exclude any shares which may be approved to the order tor sale, all of which are beneficial, and which exclude any shares which may be approved to the order to sale, all of which are the effect of the sale. 10 Burton* 11 D. Burton* 12 D. Burton* 12 D. Burt |
| Aroup consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of Incorporation Around Amusicaturing E75,000 England Bit Sportscraft Limited Property and leasing £100 England Bit Sportscraft Limited Amusicaturing £200 England Bit Sportscraft Limited Amusicaturing £200 England Bit Sportscraft Limited Amusicaturing £200 England Bit Netherlands Netherlands Bit Netherlands Bit Netherlands Netherlands Bit Netherlands | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regarded as distributable. 29. Generatives and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup Con Lingation The Group has an action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approtusted that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approtusted that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approtusted that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approtusted to successful. (c) Forward currency contracts At 28th February, 1985, the Group had entered into contracts totalling £1,878,000 to self foreign currencies which in the future as a hedge against foreign currency fluctuations. (d) Pension arrangements The UK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a thremal independent actuarial valuation, which last took place in April, 1984. At that date, the advanded that the scheme was substantially faithy funded. A small number of senior executives are members of a separate defined contribution scheme. | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Settlement, C.A. Bystram and Phillips & Drew, Philips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares, in the dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each from the Trustees of the 1.D. Burton 110p per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1.D. Burton 100 per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the 1.D. Burton 100 costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the other for sale, including capital duty, accounting and legal fees, printing and a de to Philipps & Drew, The total expenses of the other for sale pay able by the Company and the selim including the fee to Philipps & Drew, are estimated to amount to £470 000 (exclusive of VAT). In addition, a covenant has been given by the Trustees of the 1.D. Burton Settlement and C.A. Bystra shareholders of the Company, not to sell any further Ordinary shares in the Company prior to the annount interm results of the Group for the so, months ending 31st August, 1986 without the prior written consoner. 5. Directors' and Other Interests to the other for sale, all of which are beneficial, and which exclude any shares which may be apported to the other for sale, all of which are beneficial, and which exclude any shares which may be apported to the other for sale, will be: 1 D. Burton* 1 D. Burton* 1 T. Elassen Not States per cent. Option 1 D. Huggett Not Trustees of the 1 D. Burton Settlement. 1 D. Huggett Not Trustees of the 1 D. Burton Settlement. 1 D. Save as outlined in (a) above, the Directors are not aware of any shareholding which, immediately and contributed that they shareholding |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of Incorporation Inco | 19. Profit and Loss account The profit and loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Contrastites and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup Contrastite and contracted for Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Litigation The Group has an action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approximation is successful. (c) Forward currency contracts At 28th February, 1985, the Group had entered into contracts totaling £1,878,000 to sell foreign currencies baseds months in the future as a hedge against foreign currency fluctuations. (d) Pension arrangements The LIK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a triennial independent actuarial valuation, which last took place in April, 1984. At that date, the act advised that the scheme was substantially fulfy funded. A small number of senior executives are members of a separate defined contribution scheme. The Croup operates pension schemes in certain overseas subsidiaries in accordance with local practice. 21. Audited Accounts No audited accounts have been prepared in respect of any penod since 28th February, 1985. | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 1.2th July, 1985 between the Company, the Directors, the Trusters of the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares in the dealt in on the Unitized Securities Market, to subscribe for 3, 120,000 new Ordinary shares in the dealt in on the Unitized Securities Market, to subscribe for 3, 120,000 new Ordinary shares with 2.5p each from the Trustees of the 1.D. Button 1.10p per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1.D. Button 1.10p per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1.D. Button 1.00p or share share the Company shares of 25p each from the Trustees of the 1.D. Button 1.00p or shares incidental to the grant of permission to deal in the Ordinary shares in the Company or securities Market and of the offer for sale, including capital dury, accounting and legal fors, printing and and a fee to Phillips & Drew, The total expenses of the offer for sale payable by the Company and the selim including the fee to Phillips & Drew, are estimated to amount to £470.000 (exclusive of VAT). In addition, a covenant has been given by the Trustees of the 1.D. Burton Settlement and C. A. Bystra shareholders of the Group for the so, months ending 31st August, 1986 without the prior written conscious of the offer for sale, will be: 1. Directors' and Other Interests 1. Directors' and Other Interests 1. Directors and Ot |
| Troup consists of the Company and the wholly-owned subsidiaries described below: Principal Insure Insure Insure Incorporation Incor | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Guarantees and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup £1000 Authorised but not contracted for B Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Litigation The Group has an action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approved that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approved that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approved by the Board of Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approved that the character of the committee of the Group had entered into contracts totalling £1,878,000 to sell foreign currencies between months in the future as a hedge against foreign currency fluctuations. (d) Pension arrangements The UK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a tremnal independent actuarial valuation, which last took place in April, 1984. At that date, the act advised that the scheme was substantially fully funded. A small number of senior executives are members of a separate defined contribution scheme. The Group operates pension schemes in certain overseas subsidiaries in accordance with local practice. 21. Audited Accounts No audited accounts have been prepared in respect of any penod since 28th February, 1985. | 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Settlement, C. A. Bystram and Phillips & Drew, Phillips & Drew have agreed, subject to permission by the Council of The Stock Exchange on or before 5th August, 1985 for all the Ordinary shares of the Unitised Securities Market, to subscribe for 3, 120,000 new Ordinary shares of the Unitised Securities Market, to subscribe for 3, 120,000 new Ordinary shares of the 1 D. Burton 110p per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1 D. Burton 110p per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1 D. Burton 1 Costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the orier for sale, including capital dury, accounting and legal fees, printing and a and a fee to Philips & Drew, are estimated to amount to £470 000 (exchare of VAT). In addition, a covenant has been given by the Trustees of the 1 D. Burton Settlement and C. A. Bystram 1 the ordinary shares in the Company prior to the annous interim results of the Group for the six months ending 31st August. 1986 without the prior written considered in the other for sale, all of which are beneficial, and which exclude any shares which may be applicated by the Company and to the other for sale, all of the August. 1986 without the prior written considered by the Company and to the control of the Company shares which may be applicated by the Company and the sale and the capital during the prior of the other to sale, all of which are beneficial, and which exclude any shares which may be applicated by the Company. The sale of the other for sale, will be the other for sale of the Company. 1 D. Burton 1 Trustees of the 1 D. Burton Settlement. 2 Directors and Other Instees of the 1 D. Burton Settlement. 2 |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Place of Activity Capital Incorporation Activity | 19. Profit and Loss account The profit and loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Castrantees and other Financial Commitments (a) Capital Commitments At 26th February, 1985, capital commitments were: Croup Con L'000 Authorised but not contracted for Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Litigation The Group fus an action against a competitor for alleged infringement of certain winch patients. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may appror US\$500,000. It is not possible currently to determine what damages, if any, are likely to be awarded to the Group action is successful. Ic1 Forward currency contracts At 28th February, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies between months in the future as a hedge against foreign currency fluctuations. (d) Pension attrangements The UK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a tremnall independent actuarial valuation, which last took place in April, 1984. At that date, the actioned that the scheme was substantially fully funded. A small number of senior executives are members of a separate defined contribution scheme. The Group operates pension schemes in certain overseas subsidiaries in accordance with local practice. 21. Audited Accounts No audited accounts have been prepared in respect of any penod since 28th February, 1985. Yours faithfully, Arthur Andersen & Co., Chartered Accountaris. | 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Truster Settlement, C.A. Bystram and Phillips & Drew, Phillips & Drew have agreed, subject to permisso by the Council of The Stock Exchange on or before Sh August, 1985 for all the Ordinary shares in the dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each min 110p per share and to punchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1.D. Button 110p per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the 1.D. Button costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the other for sale, including capital duty, accounting and legal fees, printing and a let to Phillips & Drew. The total respectives of the other for sale payable by the Company and a and a let to Phillips & Drew. The total respectives of the other for sale payable by the Company and the solin including the fee to Phillips & Drew, are estimated to amount to £470 000 (exclusive of VAT). In addition, a coverant has been given by the Trustees of the 1.D. Button Sentement and C.A. Bystram and the solin internal results of the Company, not to sell any further Ordinary share, in the Company prior to the annount internal results of the Group for the sea months ending 31st August, 1986 without the prior written conscious of the Company to the sea months ending 31st August, 1986 without the prior written conscious of the Company to the Company of the Company o |
| Principal super dispersion of the Company and the wholly-owned subsidiaries described below: Principal Suserd share Place of | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Guarantees and other Financial Commitments (a) Capital Commitments At 28th February, 1985, Capital commitments were: Croup £1000 Authorised but not contracted for Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Litigation The Group has an action against a compenior for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approximately that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approximately action is successful. (c) February, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies twelve months in the future as a hedge against foreign currency fluctuations. (d) Person attangements The LIK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a tremnal melapendent actuarial valuation, which last took place in April, 1984. At that date, the act advised that the scheme was substantially fully funded. A small number of senior executives are members of a separate defined contribution scheme. The Group operates pension schemes in certain overseas subsidiaries in accordance with local practice. 21. Audited Accounts No audited accounts have been prepared in respect of any period since 28th February, 1985. Yours faithfully, Arthur Andersen & Co., Chartered Accountaints. | 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Truster Settlement, C.A. Bystram and Phillips & Drew, Phillips & Drew have agreed, subject to permisso by the Council of The Stock Exchange on or before Sh August, 1985 for all the Ordinary shares in the dealt in on the Unlisted Securities Market, to subscribe for 3, 120,000 new Ordinary shares of 25p each min 110p per share and to punchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 1.D. Button 110p per share. The agreement provides, inter alia, for the payment by the Company and the Trustees of the 1.D. Button costs and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company Securities Market and of the other for sale, including capital duty, accounting and legal fees, printing and a let to Phillips & Drew. The total respectives of the other for sale payable by the Company and a and a let to Phillips & Drew. The total respectives of the other for sale payable by the Company and the solin including the fee to Phillips & Drew, are estimated to amount to £470 000 (exclusive of VAT). In addition, a coverant has been given by the Trustees of the 1.D. Button Sentement and C.A. Bystram and the solin internal results of the Company, not to sell any further Ordinary share, in the Company prior to the annount internal results of the Group for the sea months ending 31st August, 1986 without the prior written conscious of the Company to the sea months ending 31st August, 1986 without the prior written conscious of the Company to the Company of the Company o |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Issued share Prace of Incorporation | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Gamanities and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup Con L'000 Con Authorised but not contracted for Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Litigation The Group fina an action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs ansing subsequent to 28th February, 1985, relating to this action may approximate the substance of the Couple of the Couple had entered into contracts totalling £1,878,000 to sell foreign currencies twelve months in the future as a hedge against foreign currency fluctuations. (d) Pension arrangements The LIK Croup operates a staff pension fund providing for defined benefits which is externally administered. The I subject to a trennal independent actuarial valuation, which last took place in April, 1984. At that date, the action date the scheme was substantially fully funded. A small number of senior executives are members of a separate defined contribution scheme. The Croup operates pension schemes in certain overseas subsidiaries in accordance with local practice. 21. Audited Accounts No audited accounts have been prepared in respect of any penod since 28th February, 1985. Yours faithfully, Arthur Andersen & Co., Chartered Accountame. STATUTORY AND GENERAL INFORMATIO 1. Share Capital (a) The Company was incorporated on 28th August, 1969 as a private company (number 960932) with limited if | 1.398 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Sertlement. C. A. Bystram and Phillips & Drew, Phillips & Drew have agroed, subject to permission of the Company of the Council of The Stock. Exhange on or before \$th August, 1985 \$ca all the Ordinary shares in the International Trustees of the 10th Burton Sertlement. The per share and to purchase 2,880,000 Ordinary shares of 25p each from the Trustees of the 10th Burton Tools and expenses incidental to the grant of permission to deal in the Ordinary shares on the 10th Burton Cooks and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company and all et to Phillips & Drew, The total expenses of the other for sale, post, and days, accounting and legal feet, puring and a late to Phillips & Drew, are summated to amount to £47000 (orchizense of Vibrago). In addition, a coverant has been given by the Trustees of the 10th Burton Sertlement and C. A. Bystram results of the Group for the so, months ending 31st August, 1986 without the prior written considered in the other torsale, and of which are beneficial, and which exclude any shartes which may be appropriate to the other torsale, and of which are beneficial, and which exclude any shartes which may be apported the other torsale, and of which are beneficial, and which exclude any shartes which may be apported to the other torsale, and of which are beneficial, and which exclude any shartes which may be apported to the other torsale, and other for sale, will be sharted to a poly for Ordinary shares in the Company of the other torsale, and other for sale, will be sharted to a poly for Ordinary shares in the Company of the other torsale, and other for sale, will be shared to a poly for Ordinary shares of the Company. In the internation of the company of the Directors are not aware of any shareholding which, immediated other for sale, will represent five per cent. or more of the oster capital o |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Sured Share Place of Incorporation Incor | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Gestranties and other Financial Commitments (a) Capital Commitments At 28th February; 1985, capital commitments were: Croup £1000 Authorised but not contracted for 8 Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Litigation The Group has an action against a competitor for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approximately action is successful. (c) Interest of the Companies of the Croup action is successful. (d) Personal currency contracts At 28th February, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies totally actions may approximate the february, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies totally action in the future as a hedge against foreign currency fluctuations. (d) Persona arrangements The UK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a tremail independent actural adulation, which last took place an April, 1984. At that date, the activities of a remain and provident for defined contribution scheme. The Group operates pension schemes in certain overseas subsidiaries in accordance with local practice. 27. Audited Accounts No audited accounts have been prepared in respect of any penod since 28th February, 1985. Yours faithfully, Arthur Andersen 3. Co., Chartered Accounts have been prepared on 28th August, 1969 as a private company (number 960932) with limited if under the Company was incorporated on 28th August, 1969 as a private company (number 960932) with limited if our of the Company was consolidated and increased to £5,000 of the company of the page of the Company was consolidat | 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th July, 1985 between the Company, the Directors, the Tru Burton Sertlement, C.A. Bystram and Phillips & Drev., Phillips & Drev. Phillips & all the Ordinary shares in shed deall in on the Unifisited Securities Market, to subscribe for 3, 120,000 new Cribrary shares of 25 peach from the Unifisited Securities Market, to subscribe for 3, 120,000 new Cribrary shares of 25 peach from the Tursteen of the 1.D. Burton's cold in the Ordinary shares of 25 peach from the Tursteen of the 1.D. Burton's cold and expenses incidental to the grant of permission to deal in the Ordinary shares in the Company and a deet to Phillips & Drew, The total expenses of the duty, accounting and legal tock, protrug and a and a feet to Phillips & Drew, are summated to amount to 147: 000 (circlesteen of VA). In addition, a coverant has been given by the Trustees of the 1.D. Burton Seatlement and C.A. Bystram and Expenses of the Company shares in the Company and the solin internit results of the Coropany not to sell any strifler Ordinary shares. In the Company for the share capital of the Company shares in the Company or the annountment results of the Coropany shares in the Company for the share capital of the Company shares in the Company or the share capital of the Company shares in the Company or the share capital of the Company shares in the Company shares in the Company or the share of the cold of the company shares of the Company shares in the Company shares of the Company of the other to sale, all of which are beneficial, and which exclude any shares which may be appropriate to sale, all of which are beneficial, and which exclude any shares which may be appropriated to sale. 5. Directors' and Other Interests 10. Burton' 17,600,008 73.8 NM 75, 100,000 75, 100,000 75, 100,000 75, 100,000 75, 100,000 75, 100,000 75, 100,000 75, 1 |
| Group consists of the Company and the wholly-owned subsidiaries described below: Principal Bused Sure Property Bused State Property and leasing \$75,000 England Bused State Bused | 19. Profit and Loss account The profit and Loss account is regarded as distributable. All other reserves in the balance sheet are regard non-distributable. 29. Castranties and other Financial Commitments (a) Capital Commitments At 28th February, 1985, capital commitments were: Croup Con Authorised but not contracted for B Subsequent to this date, a further £645,000 of capital expenditure was approved by the Board of Directors. (b) Lifigation The Group has an action against a compenior for alleged infringement of certain winch patents. The Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approvided by the Board of Directors have advised that the estimated legal costs arising subsequent to 28th February, 1985, relating to this action may approvides to the Croup action is successful. Ict Forward currency contracts At 28th February, 1985, the Group had entered into contracts totalling £1,878,000 to sell foreign currencies by the Board of Directors are a feedge against foreign currency fluctuations. (d) Pension attrangements The UK Group operates a staff pension fund providing for defined benefits which is externally administered. The subject to a tremnal independent actuarial valuation, which last took place in April, 1984. At that date, the actions that the scheme was substantially faily funded. A small number of senior executives are members of a separate defined contribution scheme. The Croup operates pension schemes in certain overseas subsidiaries in accordance with local practice. 21. Audited Accounts No audited accounts have been prepared in respect of any penod since 28th February, 1985. Yours fathfully, Arthur Andersen 3. Co., Chartered Accounts have been prepared in respect of any penod since 28th February, 1985. 1. Share Capital (a) The Company was incorporated on 26th August, 1969 as a private company (number 960932) with limited if under the Companies Acts 1946 to 1967 under the name of Manne Systems Lambed with an a | 4. Offer for Sale Agreement Pursuant to an agreement under seal dated 12th loly, 1985 between the Company, the Directors, the True Button Settlement. C.A. Bystram and Phillips & Drew: Phillips & Drew have agreed, subject to premission by the Council of Tho Stock Exchange on or before 5th August, 1985 for all the Ordenary shares, or before deal in on the Unitised Securities Market, to substrote for 3, 120, 000 new Cordany shares so 125 p each not 110p per share and to purchase 2,880,000 Ordenary shares of 25p each from the Trustees of the 1 D. Button 110p per share and to purchase 2,880,000 Ordenary shares of 25p each from the Trustees of the 1 D. Button 110p per share and to purchase 2,880,000 Ordenary shares of 25p each from the Trustees of the 1 D. Button Securities Market and of the order for sale, including capital dury, accounting and legal feet, printing and a feet to Phillips & Drew. The total expenses of the other for sale payable by the Company share in the Company Securities Market and of the order for sale, including capital dury, accounting and legal feet, printing and a feet to Phillips & Drew. The total expenses of the other for sale payable by the Company and the selfin including the feet to Phillips & Drew, are estimated to amount to £4°0.000 (exclusive of VAT). In addition, a consenant has been given by the Trustees of the 1 D. Button Settlement and C. Buston Settlement. The interests as defined by the Companya Settlement Settlement and Companya Settlement Settlement Settlement Settlement Settlement Settlement Settlement. The Buston Settlement Settlement Settlement Settlemen |

Lewmar plc, Southmoor Lane, Havant, Hampshire POS 15:

Amount enclosed at 110p

per share

FOR OFFICIAL USE ONLY

. Acceptance number

Number of shares accepted

Amount received

. Amount payable

Amount returned

Cheque number

£

£

A STATE

(a) The following is a summary of the terms of the Directors' service agreements with the Company or its subsidiaries: Current annual basic salary (subject to annual review) Employer commencement period T2rh July, 1965 24th June, 1965 3rd June, 1983 6th June, 1985 12th July, 1985 £60,000 £51,500 U\$\$115,100 £30,000 3 years €30,000 The Company has a discretionary bonus scheme under which the Directors may award amounts to executive Directors as a group, pro rata to increases in earnings per share reported annually, from a fund not to exceed 50 per-cent, of the aggregate of the salarios of all the participants. For the year ending 23rd June, 1986 only, the Company has agreed to pay to M. Jay a fixed bonus of £41,000. Save as disclosed in (a) above, there are no existing or proposed service or consultancy agreements between any Director and the Company or its subsidiaries which are not determinable by the Company or its subsidiaries without nsation (other than statutory compensation) within one year. The Company has effected "key man" term assurance policies on the lives, respectively, of I.D. Burton until 24th May, 1988 in the sum of £500,000 and of R.D.I. Huggett until 1st July, 1986 in the sum of £500,000. Navtec has effected an annually renewable "key man" term assurance policy on the life of T.R. Elessen in the sum of states of the life of the sum of the sum of the sum of the life of the sum of LIS\$500,000. The estimated aggregate Directors' emoluments, excluding the discretionary bonuses referred to under (a) above and excluding pension contributions, for the year ending 28th February, 1986, are £310,000. The Directors who served during the year ended 28th February, 1985 were J.D. Burtan and Mrs. O.J. Burton (who ceased to be a Director on 26th June, 1985), whose aggregate equivalent emoluments for the period were £130,000. The Articles of Association of the Company, which were adopted on 22nd May, 1985 and amended on 12th July, 1985, . contain provisions, inter also, to the following effect: our owns; rowers

The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge is undertaking, property and uncalled capital, and to issue debentures and other securities. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in relation to its substidiary companies to as to secure to far, as regards substidiaries, as by such exercise they can secure it hall the apprepare amount for the time being remaining outstanding of all monies borrowed by the Company and its substidiaries and owing to third parties shall not at any time without the previous function of an ordinary resolution of the Company exceed an amount equal to two and one half times the Adjusted Capital and Reserves (calculated and adjusted as provided in the Articles). (a) A Director is not required to hold any qualification shares. The remuneration of the Directors shall be determined by the Company and shall furnless otherwise determined be divisible among the Directors as they may agree, or, taking agreement, equally. The Directors may be paid all reasonable expenses incurred by them in attending meetings of the Directors or committees of the Directors or general meetings of the Company or otherwise in or about the business of the A Director who holds any executive office or who serves on any committee of the Directors, or a otherwise performs services which in the opinion of the Directors are outside the scope of the ordinates of a Director, may be paid such extra remuneration as the Directors may determine. (d) The Directors may pay à pension or other retirement, superannuation, death or disability benefits to, or to any persons in respect of, any Director or ex-Director. The Directors may from time to time appoint one or more of their body to be the holder of any executive office on such terms and for such period as the Directors may determine. The statutory provisions as to the retirement of Directors at age 70 apply to the Company. A Director may be party to or in any way interested in any contract or agreement or transaction to which the Company is a party or in any way interested and he may hold and be remunerated in respect of any office or place of profit to their than that of auditor under the Company or other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a profitional capacity for the Company or such other company and be remunerated therefor and in any such case as aforesaid, save as otherwise agreed, he may retain for his own absolute use and benefit all profits and advantages accruing to their themselves or in Company level. under or in consequence thereof. Except in the particular circumstances specified in the Articles, a Director shall not vote or be cou quorum in respect of any contract or arrangement or any other proposal whatsoever in which he has any makenal interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. The particular circumstances referred to above in which a Director may vote or be counted in the quorum The giving of any security or indemnity to the Director in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries; The giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or part under a guarantee or indemnity or by the giving of security;

Any proposal concerning an other of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer the Director is or is to be interested as a participant in the underwriting or sub-underwriting thereof; Any proposal concerning any other company in which the Director is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent, or more of the issued shares of any class of such company of any third company through which his interest is derived or of the voting rights available to members Any proposal concerning the adoption, modification or operation of a superannuation fund or returement benefits scheme or employees' share scheme under which the Director may benefit and which has been approved, or is subject to and conditional upon approval by, the Board of Inland Revenue for taxation purposes; At each annual general meeting of the Company, one third of the Directors for the time being (excluding any Director holding office as an Executive Chairman or as Managing or Joint Managing Director) shall retire from office by rotation; and Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less Subject to the voting rights which may from time to time be attached to any shares of the Company, on a show of hands every member holding shares present in person shall have one vote and upon a poll every such member present in person or by proxy shall have one vote for every share held by him. A corporation holding shares may authors each person as it thinks it to act as its representative at any general meeting. In the case of equality of votes, the Chairman shall be entitled to a casting vote. (iv) Variation of rights The following contracts, not being contracts in the ordinary course of business, have been entered into within the period of two-years unmediately preceding the date of publication of this prospectus and are, or may be, material: Agreement dated 1st July, 1985 between the Trustees of the L.D. Burton Settlement and Lewmar Netherlands B.V. relating to the transaction referred to in paragraph 1(f) above. nent dated 3rd July, 1985 between Burton Enterprises (C.I.) Limited and Waterford Engineering Limited to the transaction referred to in paragraph 1(h) above. Memorandum of agreement dated 1st June, 1985 confirming the terms of an oral agreement made in December, 1984 between the Company and C. A. Bystram, relating to the transaction referred to in paragraph 1(e) above. The offer for sale agreement referred to in paragraph 4 above. 9. Working Capital The Directors are of the opinion that, after taking into account the net proceeds of the offer for sale payable to the Company, the Group will have sufficient working capital for its present requirements. The Directors have been advised that, following completion of the offer for sale, the Company will be a close company within the meaning of the income and Corporation Taxes Act 1970. Under the orier for sale agreement referred to in paragraph 4 above, the Trustees of the J.D. Burton Settlement have undertaken to indemnity the Company and its subsidiaries against certain taxation liabilities including capital transfer tax, income tax and estate duty. Clearance for the reorganisation transactions preceding the offer for sale referred to in paragraphs 1(f), (g) and (h) above and the ofter for sale has been obtained from the intand Revenue under Section 464 of the Income and Corporation Taxes Act 1970. The consents of the Treasury to the establishment of Lewman Netherlands B.V. and Waterlord Engineering Limited have been obtained under Section 482 of the Income and Corporation Taxes Act 1970. A further clearance application under Section 464 of the Income and Corporation Toxes Act 1970 was made on 3rd July, 1985 in respect of the transactions referred to in paragraph 1(i/iv) and iv) above. The Company has been advised that the clearance is likely to be forthcoming. The Inland Revenue have confirmed that they do not propose to make an appointment under the provisions of Schedule 16 of the Finance Act 1972 in respect of any Group companies for any accounting periods ended between 28th February, 1980 and 28th February, 1984 inclusive. 11. Minimum Subscription No minimum amount is required to be raised for the purposes described in paragraph 2(a) of Part 1 of Schedule 3 to the Companies Act 1985. 12. Lewman pic Employee Share Option Scheme
On 21st December, 1984, the Company adopted the Lewman pic Employee Share Option Scheme ("the Scheme") which, in its application to UK employees, has been approved by the Inland Revenue under the provisions of the Finance Act 1984. As referred to in paragraph 1(t) above, the Scheme was amended on 26th june, 1985. The Scheme enables the Directors to great at their discretion to full-time employees finctuding executive Directors of the Company and its subsidiants who are not within two years of normal retirement date options over such number of Ordinary shares subsects to the limitations retirent to below as the Directors may determine. Option may in normal circumstances be exercised between the third and tenth anniversanes of their grant and entitle the option holder to subscribe for Ordinary shares at the subscription price which will not be less than the market value of the shares on the date of grant which, in the case of options granted to UK employees, is to be determined by the auditors and agreed with the Shares Valuation Division of the inland Revenue. No individual may obtain rights under the Scheme or any other share option scheme option related schemel established by the Company or an associated company which would, if those rights were exercised at the time they were granted, result in the individual acquiring shares with an aggregate market value (calculated at the date the rights were obtained in excess of four times his remuneration as set out, in the Rules of the Scheme, The total number of Ordinary shares over which options may be granted under the Scheme may not exceed 7½ per cent. Of the issued share capital of the Company may be made available for all employee share schemes of the Company and associated companies in any year and the two preceding calendar years and not more than 10 per cont. of the issued share capital of the Company may be made available for all employee share schemes of the Company and associated companies, in calculating such irm 12. Lewmar plc Employee Share Option Scheme

The Directors may subject to the approval of the Inland Revenue from time to time amend the Scheme, save that the following provisions shall not be altered to the benefit of participants without the prior approval of the Company in

the voting, dividend, transfer and other rights, including those arising on a liquidation of the Company, attaching to options and to the shares issuable on exercise or options.

At the date of this prospectus, options have been granted under the Scheme in respect of a total of 909,815 shares.

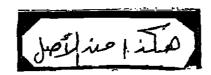
the persons to whom, or for the benefit of whom, securities may be issued under the Scheme;

the total amount or number of the securities subject to the Scheme; the maximum entitlement of any participant under the Scheme; nation of the subscription or option price; and

A separate serling cheque or banker's draft must accompany each application form and must be drawn on a branch in England. Scotland, Wales, Northem Ireland, the Channel Islands or the Isle of Man, of a bank which is either a member of the London or Scotlish Clearing Houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided for the members of those Clearing Houses, Each cheque or banker's draft must bear the appropriate sorting code number in the top right hand corner, and must be made payable to "Barclays Bank PLC" and crossed "Not Negodiable". Up to 600,000 Ordinary shares, representing 10 per cent, of the Ordinary shares now being offered for sale, are reserved in the first instance for preferential applications from eligible Directors and employees of the Group, other than cultures or residents of the USA or its territories or Canada, at the offer for sale price. Such applications must be made on the special pink application forms which are available to such employees for the purpose. Applications from employees must be for a minimum of 100 Ordinary shares. In the event of excess applications being received from employees, the basis of allocation among them will be determined by Phillips & Drew in their absolute discretion. The right is reserved to present all cheques and banker's drafts for payment on receipt, to retain application forms and surplus application monies pending the clearance of all cheques and banker's drafts of successful application, and surplus application monies pending the clearance of all cheques and banker's drafts of successful application, to accept in part only or to reject or scale down applications, and in particular, to reject multiple or suspected multiple applications. Due completion and delivery of an application form accompanied by a cheque or banker's draft will be honoured on the first presentation and attention is drawn to the declaration in the application form to that effect. Applications will be irrevocable until 6th August 1885 Copies of this prospectus have been delivered to the Registrar of Companies for registration, each copy having attached to it copies of the application forms, together with the statement of adjustments made by the Reporting Accountants, the consent referred to in paragraph 13 above. No person receiving a copy of this offer for sale or an application form in any territory other than the United Kingdom may treat the same as constituting an invitation to him, nor should he in any event use such application form, unless in the relevant territory such an invitation could lawfully be made to him and such form could lawfully be used without contravention of any registration or other legal requirements, it is the responsibility of any person outside the United Kingdom wishing to make application hereunder to satisfy himself as to full observance of the laws of the relevant territory in connection therewith including obtaining any governmental or other consent which may be required or observing any other formalities needing to be observed in such territory. The Group is plaintiff in two actions against a compentor alleging infilingement of certain of its winch patents. One case, in the USA, has involved the Group in significant legal expenses, details of which appear in Noie 20th) to the Accountants' Report above. In the other action, in the UK, the Group has obtained an interlocutory injunction. In these proceedings, the desendant is counterclaiming for revocation of the patent involved. The Otrectors believe that each of the Group's claims is soundly based. There is no other largation or claim of material importance involving the Group pending or threatened. The right is reserved to roject any applications which do not satisfy the above conditions, although Phillips & Drew reserve the right to waive any such conditions. Arthur Andersen & Co. have given and not withdrawn their written consent to the issue of this prospectus w inclusion herein of the Accountants' Report and with the references to their name in the form and content in The financial information concerning the Company and each of its subsidiaries contained in this prospectus does not amount to fulf individual accounts within the meaning of Section 255 of the Companies Act 1985, Individual accounts, as required by the Companies Act 1985, have been or will be delivered to the Registrar of Companies in respect of the Company and its UK subsidiaries for the period covered by the Accountaints' Report set out above. Arthur Andersen & Co. have made a report under Section 236 of the Companies Act 1985 in respect of each set of accounts so delivered and each such report was an unqualified report. Phillips & Onew will have complete discretion in deciding the basis of allocation. In so deciding, they will have regard to the need to establish a satisfactory market in the shares, for which purpose a reasonable number of shareholders is required. The basis of allocation will be announced on, or as soon as possible after, 22nd july, need. If any application is not accepted, or is accepted for fewer shares than the number applied for, the application money or the balance of the amount paid on application will be returned by cheque through the post, in all cases without interest and at the risk of the applicant concerned. Copies of the following documents may be inspected at the offices of Linklaters & Paines, Barrington House, 59-67 Gresham Street, London EC2 during usual business hours on weekdays (Saturdays and public holidays excepted) for a period of fourteen days from the date of publication of this prospectus: Up to 600,000 Ordinary shares, representing 10 per cent, of the shares now offered for sale, are reserved in the first instance for applications-from eligible Directors and employees of the Group other than those who are citizens or residents of the US or its territories or Canada at the offer for sale price. Such applications must be made on the special pink application forms which are being made available to such employees. Applications from such employees must be for a minimum of 100 shares each at the offer for sale price. In the event of evoses applications being received from employees, the basis of allocation among them will be determined by Phillips & Drew, at their discretion. The Memorandum and Anticles of Association of the Company; The audited accounts of the Company, Button Enterprises (C.I.) Umited and Navtec and the accounts of Lewman Marine Inc. for their last three respective accounting periods; The Accountants' Report together with the statement of adjustments relating thereto: The material contracts referred to in paragraph 8 above: The Directors' service agreements referred to in paragraph 6 above; The written consent referred to in paragraph 15(c) above; and GENERAL " The Rules of the Lewmar pic Employee Share Option Scheme. 8. The offer for sale and the acceptance of all application forms is conditional on the Council of The Stock Exchange granting permission for the whole of the Ordinary share capital of the Company, issued and now being issued, to be dealt in on the Unlisted Securities Market not later than 5th August, 1985. Money paid in respect of all applications will be returned (without interest and at the risk of the applicant concerned) if such permission is not e will be retained by Barclays Bank PLC in a separate account. Renounceable letters of acceptance are expected to be sent to successful applicants on 26th July, 1985 and will be renounceable up to 6th September, 1985. The shares now being offered for sale will be registered free of stamp duty in the names of the purchasers or persons in whose favour letters of acceptance have been renounced, provided that, in the case of renunciation, letters of acceptance duly completed in accordance with the instructions constained therein are lodged for registration on or before 3.00 p.m. on 6th September, 1985. Share certificates will be despatched by first class post on or before 4th October, 1985. PROCEDURE FOR APPLICATION REQUIREMENTS FOR APPLICATION Applications (other than employee applications) must be made on the accompanying application form which together with a sterling cheque or banker's draft for the full amount psyable on application, should be delivered or posted to Barclays Bank PLC, New Issues Department, PO Box 123, Foetway House, 25 Farnington Street London EC4A 4HD so as to arrive not later than 10.00 a.m. on Monday, 22nd July, 1985. Photostat copies of 10. Dealings in the Ordinary shares are expected to commence on 29th July, 1985. Copies of this document with application forms may be obtained from:application forms will not be accepted. Phillips & Drew, Applications must be for a minimum of 200 shares and thereafter in multiples of 200 shares up to 1,000 shares; in multiples of 500 shares up to 5,000 shares; in multiples of 1,000 shares up to 10,000 shares; and in multiples of 5,000 shares thereafter. 120 Moorgate, London BC2M 6XP APPLICATION FORM The application list for the Ordinary shares now offered for sale will open at 10.00 am on Monday, 22nd July, 1985 and may be closed at any time thereafter. This application form when completed must be lodged with or posted to Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD, together with a cheque/banker's draft representing payment in full at the offer for sale price so as to be received not later than 10.00 am on 22nd July, 1985. Photostat copies of application forms will not be accepted. A separate cheque or banker's drafts must accompany each application form. Cheques and banker's drafts, which must be drawn in sterling on a branch in England, Scotland, Wales, Northern freland, the Channel Islands or the Isle of Man of a bank which is either a member of the London or Scottish Clearing Houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided for the members of those Clearing Houses and must bear the appropriate sorting code number in the top right hand corner, must be made payable to "Barclays Bank PLC" and crossed "Not Negotiable". All cheques/banker's drafts are liable to be presented for payment on receipt. Applicants are strongly advised to use first class post and to allow two days for delivery. LEWMAR plc (Incorporated in England under the Companies Acts 1948 to 1967. Registered Number 960932) Offer for Sale by Phillips & Drew 6,000,000 Ordinary shares of 25p each at 110p per share payable in full on application *Applications must be for a minimum of 200 Ordinary shares and thereafter must be in the following multiples of Ordinary shares:— *Number of shares for which application is made Applications up to 1,000 shares multiples of 200 shares Applications for over 1,000 shares up to 5,000 shares multiples of 500 shares Applications for over 5,000 shares up to 10,000 shares . multiples of 1,000 shares Applications for over 10,000 shares multiples of 5,000 shares To: PHILLIPS & DREW

I/We enclose a sterling cheque or banker's draft payable to Barclays Bank PLC, for the above mentioned sum, being the amount payable in full on application for the stated number of Ordinary shares of 25p each in Lewmar plc ("the Company") at 110p per share. I/We offer to purchase that number of shares and I/We agree to accept the same or any smaller number in respect of which this application may be accepted upon the terms of the prospectus dated 12th July, 1985 and subject to the Memorandum and Articles of Association of the Company. I/We request that you send to me/us a fully paid renounceable Letter of Acceptance in respect of such shares, together with a cheque for any moneys returnable without interest, by post at my/our risk to the address first given below and procure that my/our name(s) be placed on the Register of Members of the Company as holder(s) of such of the shares allocated to me/us (if any) as have not been duly renounced. In consideration of Phillips & Drew agreeing to accept applications upon the terms and subject to the conditions of the said document for an aggregate number of 6,000,000 Ordinary shares of 25p each of the Company. I/we agree that this application shall be irrevocable until 6th August, 1985 and that this paragraph shall constitute a collateral contract between me/us and Phillips & Drew which shall become binding upon despatch by mail or delivery of this application form to Barclays Bank PLC duly completed. I/We understand that the completion and delivery of this application form, accompanied by a cheque, constitutes a warranty that the same will be honoured on first presentation. I/We acknowledge that a renounceable Letter of Acceptance and any cheque for any moneys returnable to me/us are liable to be held pending clearance of all applicants' cheques and banker's drafts. ..1985 1. Signature ●Forename(s) (in full) PLEASE Surname and designation (Mr. Mrs. Ms. or Title) BLOCK CAPITALS Address (in full) (In the case of joint applications all further applicants must sign and complete below) 2. Signature .. Forename(s) (in full) Surname and designation . Address (in full) ..

Forename(s) (in full) Surname and designation ... (Mr. Mrs. Ms. or Title) Address (in full) PLEASE 4. Signature PIN CHEQUE/ Forename(s) (in full) Surname and designation ... (Mr. Mrs. Ms. or Title) Address (in full) Any signature on behalf of a Corporation should be that of a duly authorised official who should state his representative capacity. If this form is signed under a Power of Attorney, such Power of Attorney or a duly certified copy must accompany this form. No receipt will be issued for the payment on application but an acknowledgement will be forwarded through the post in due course, either by a fully paid renounceable Letter of Acceptance for all or part of the shares applied for and/or a cheque for any application moneys returnable, in each case, at the risk of the applicant.



3. Signature

FT COMMERCIAL LAW REPORTS

Referential offer cannot be accepted in fixed bidding sale

HARVELA INVESTMENTS LTD v ROYAL TRUST COMPANY OF CANADA (CI) LTD AND OTHERS
House of Lords (Lord Fraser of Tullybelton, Lord Diplock Lord Edmund-Davies, Lord Bridge of Harwich and Lord
Templeman): July 11, 1985

AN INVITATION to specified persons to make confidential offers for the purchase of shares, with an undertaking by the vender to accept the highest offer, gives rise to a fixed bidding sale in the absence of express provision for auction; and in such circonstances the offer by one prospective buyer of an unfixed sum to be ascertained in the future by reference to the bid of another is invalid

the bid of another is invalid and cannot be accepted.

The House of Lords so held when allowing an appeal by Harvela Investments Ltd from a Court of Appeal decision that an invitation by Royal Trust Company of Canada (CI) Ltd for offers to purchase its shares in a company had resulted in a sale to Sir Leonard Outerbridge and not to Harvela.

t the LORD TEMPLEMAN said that the issued share capital of A. Harvey & Co was held 43 per cent by the Harvela, 40 per cent by the Outerbridge family, represented by Sir Leonard, and 12 per cent by Royal Trust.

Acquistion of Royal Trust's share by Harvela or by Sir Leonard would confer control.

On September 15 1981 Royal Trust invited Harvela and Sir Leonard to submit offers for its Leonard to submit offers for its shares "by sealed tender or confidential telex . . by 3 pm . . September 16 1931 on the following terms:

1. That tenders are a single

them at CS2.276m as a result of his referential offer of CS101,000 more than Harvela's fixed bid. Mr Justice Peter Gibson found in favour of Harvela. The Court of Appeal found in favour of Sir Leonard. Harvela appealed. A vendor who undertook to sell to the highest bidder could conduct the sale by sertion or

conduct the sale by auction or by fixed bidding.

Second, it extended the same invitation to Harvela and Sir Leonard; that showed it was desirous that each of them, and nobody else, should be given an

1. That tenders are a single offer.

2. That payment ... shall be within 30 days of September 16 1981 ...

5. In the event that closing shall not take place within 30 days other than by reason of any delay on our part interest shall be payable by the purchaser [at a penal rate] ... (c) We confirm that if any offer made by you is the highest offer ...

Harvela offered C\$2.175m. Sir Henral offered C\$2.175m. Sir Leonard colon offered the expressed as a fixed monetary amount, whichever is the higher."

Harvela claimed the shares at \$2.275m. Sir Leonard claimed them at \$2.275m as a result of his referential offer of \$2.276m, as a result of his referential offer of \$2.276

Third, if referential bids were permissible, Royal Trust's object of provoking the best price was frustrated. Sir Leonard could have achieved the same purpose nave achieved the same purpose contract.

For Sir Leonard: Leolin Price by offering one dollar more than Harvela.

Finally, if referential hids were permissible by implication, the results could have been contract.

Contract.

For Sir Leonard: Leolin Price Co.).

vitation. It followed that the invitation on its true construction created a fixed bidding sale and that Sir Leonard was not

is invalid and unacceptable."

The second question raised in the present appeal related to Sir Leonard's claim that on September 29 1981 Royal Trust accepted his referential offer of C\$2.276m, so as to create a contract independent of the invitation. He sought damages for Royal Trust's breach of the alleged second (Buchoff & Co).

To sir Leonard: Leolin Price It was clear that Royal Trust.

In an auction sale each bidder might adjust his bid by reference to rival bids. In a fixed bidding sale a bidder might not adjust have become the purchaser with his bid.

If he was already entitled to the shares, a second contract was unnecessary. If Harvela was entitled to them, a second contract bids bid.

If he was already entitled to the shares, a second contract was unnecessary. If Harvela was entitled to them, a second contract was entitled to them, a second contract to sail to Sir Leonard was entitled to them.

his bid.

A vendor chose between a fixed bidding sale and an auction sale. A bidder could only choose to participate in the sale or to abstain.

The ascertainment of Royal Trust's choice between a fixed bidding sale and an auction sale by referential hids depended on its presumed intention to be deduced from the terms of the invitation contained three provisions which were consistent only with the presumed intention to create a fixed bidding sale.

First, Royal Trust undertook to accept the highest offer; that should result from the invitation.

Feened it extended the same of the first sale and an auction sale through the medium of confidential referential bid. But if Harvela's referential bid. But if Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela was unthinkable. Accordingly, no second contract came into existence at its referential bid. But if Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela was unthinkable. Accordingly, no second contract came into existence at its referential bid. But if Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela would have been the purchaser at its referential bid. But if Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela would have been the purchaser at its referential bid. But if Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela would have been the purchaser at its referential bid. But if Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid, Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid bid. But if Harvela had offered CS1.9m or S1 more than Sir Leonard's fixed bid have been possible for Royal Trust to conduct an auction sale through the medium of confidential referential bid.

The intribute to seal to Sir Leonard co for Royal Trust to conduct an auction sale through the medium of confidential referential bids, but only by making express provision in the invitation for that purpose.

To constitute a fixed bidding sale, all that was necessary was that Royal Trust should invite confidential offers and undertake to accept the highest offer.

Such was the form of the invitation. It followed that the Harvela Failure to complete was due to delay on Royal Trust's part.

The sale was not completed because Royal Trust declined, mistakenly, to recognise and fulfil its duties under the invitation to sell to Harvela. Failure to complete was due to delay on Royal Trust's part.

The sale was not completed because Royal Trust declined, mistakenly, to recognise and fulfil its duties under the invitation to sell to Harvela. Failure to complete was due to delay on form the contractual penal rate.

Its conduct, however, was not blameworthy or unreasonable.

Harvela could have paid the purchase price into court where it would have earned interest. It had had the use of it for nearly

desirous that each of them, and nobody else, should be given an equal opportunity to purchase the shares.

Third, it insisted that offers must remain confidential until the specified time; that showed it was desirous of provoking offers of the best price each was prepared to pay, in ignorance of the other's bid.

A fixed bidding sale met all Royal Trust's requirements deducible from the terms of the invitation. It was bound to result in a sale of shares, gave an equal opportunity to Harvela and Sir Leonard to acquire the shares, and provoked the best price.

If the invitation were construed so as to create an auction sale by means of referential bids, those requirements could

In the sir Leonard was not entitled to accept, a referential bid. Trust was not entitled to accept, a referential bid.

The deciston in South Hetton
The deciston in South Hetton was beld to be invited by a referential bid was beld to be invited by a referential bid would be followed. It was argued that South Hetton was distinguishable because the vendors undertook to accept "the highest net money tender" whereas in the present case it was "the highest offer."

That argument sought to elevate a trivial reference into a legal distinction.

South Hetton was followed by Royal Trust in respect of the shares since of the majority in the New York Court of Appeals in SSI Investors (1982) 449 NYS 2d 173, 174-175.

The deciston in South Hetton to be unconscionable for Harvela and to enjoy the purchase price and the benefit of the profits.

Royal Trust was contractually be unconscionable for the argument sought to be unconscionable for the profits.

Hetton was distinguishable because the wendors undertook to accept "the highest offer."

That argument sought to elevate and the benefit of the profits.

Royal Trust was contractually be unconscionable for Harvela and as a condition of the benefit of the profits.

Royal Trust was contractually be unconscionable for Harvela and as a condition of the benefit of the benefit of the benefit of the benefit of Lord Fraser and Lord Edmund-Davies agreed. Lord Diplock gave a concurring

LORD BRIDGE, also concurring, said that Sir Leonard's referential bid could not be quantified without reading into it the amount of Harvela's fixed bid. To do that before 3 pm September 16 would have been a breach of the undertaking not to disclose details of any offers before the deadline. To do it

APPOINTMENTS

New chief for **DRG** Group

Mr J. Moger Woolley, chief venture company set up by Lex executive DRG UK, is to assume Service and Logisticon Inc, of in addition responsibility for America. He was group manager, DRG's overseas operations and Lex Hire and Leasing. Mr Dixon from September 1 will become has now been seconded to Lex group chief executive. Mr Woolley, who joined DRG in 1959, has been a director of DRG since 1979.

Viscount De L'Isie has been appointed chairman of CITY ACRE PROPERTY INVESTMENT TRUST. He succeeds Mr B. G. Turner, who has stood down as chairman for personal

Mr John Eric Titley has joined the partnership of BUCK-MASTER & MOORE, stock-

DATASERV INC has made the following appointments at Premier Computers—Dataserv's Windsor-based European operating arm; Mr David P. Donovan becomes director and general manager—European operations from managing director, UK. He also assumes overall responsibility for the group's companies in West Germany and The Netherlands. Mr Peter G. Hall, becomes director and general manager — UK from sales

Mr Alexander Derbie has been appointed company secretary by HIGGS AND HILL, based in New Maiden, Surrey. He will be responsible for all secretarial

(5) 22 Analysis of glass—a yellow

ANULSO PREGROMM
G R O E G G
G R O E G G
G R O E G G
G R O E G G
G R O E G G
G R O E G G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E G
G R O E
G R O E G
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O E
G R O

£4.50 £3.75

responsible for all secretariat and legal services for the UK and overseas construction and property companies. Mr Derbie has for several years been head of legal services for the international construction activities of the Termas Companies. Solution to Puzzle No. 5,769

Стопр the Tarmac Wolverhampton SUN LIFE INVESTMENT MANAGEMENT SERVICES, the investment management arm of the Sun Life Group, has appointed Mr David McNab as associate director (marketing) with responsibility for the sales and marketing of group managed funds and the development of segregated funds.

THE LINKED LIFE ASSURANCE GROUP has elected a new chairman: Mr Fred Dinmore, assistant general manager of Cornhill Insurance, has replaced Mr Alan Roberts. Mr Roberts will continue as an ex-officio member of the

Mr Jeff Larcombe has been appointed to the board of EROS MAILING CO, where he is a merchandising and promotion support services Midlands opera-tion.

Computer Products with a brief to devise and develop the group's strategy in commercial and industrial areas of computer products.

MARLEY has appointed as an additional non-executive director, Mr Denis Ivor Allport, chairman of Metal Box.

Mr Michaed Edwards has been appointed group managing director of RILEY, and Mr Jack Armstrong has joined the board as a non-executive director. Mr Edwards joined Riley in June 1983 as managing director of 1983 as managing director of Riley Billiards and has been principally responsible for the snooker manufacturing activities. Mr Armstrong, a U.S. citizen, has considerable experience with the European operations of major U.S. corporations and is presently managing director of Allen-Bradley's European electronics business tronics business.

Mr Bryan Hawkins governor of BUPA and former director of Samuel Montagu has joined the boards of MANCHESTER EXCHANGE GROUP and MANCHESTER EXCHANGE TRUST.

Mr Murray P. Macmillian is to join the board of COLLINS-WILDE. He is chairman and managing director of Anchor-glade Development and subsidiary companies.

Mr R. W. Mattes, chairman of THE UNILEVER MEAT GROUP UK, will retire on January 7. A single board is to be formed for The Wall's Meat Co. and Matte sons Meats early in 1986 and Mr W. Kok, chairman of Unilever Vleesgroep — Netherlands BV, Netherlands, will become chairman of this board on the retire-ment of Mr Mattes.

Mr Julian Tregoning has been appointed a director of SAVE & PROSPER GROUP. As investment services director he will continue to be responsible for the investment services depart-ment and will also be responsible for co-ordinating Save & Prosper's support to Montague Loebl Stanley, stockbrokers, which Save & Prosper has agreed to buy and which wil lthen concentrate on the development of asset management services for private clients.

Mr Robert Ffoulkes-Janes has

RT INIT TRUST INFORMATION SERVICE

| FT | UNI | T TRUST | INF | ORMATI | ON SI | ERVICE |
|---|---|--|---|---|--|--|
| AUTHORISED | | Brown Shipley & Co. Ltd. (a) 9-17 Perrymount Rd. Haywards Hith 8.5. Find | 0444 458144 | G. & A. Trest (a) (g) 5 Raylergh Road, Bristopool, C. 4.A | 0277 227500 90.3 62 4.98 | Linguis Bit. Unit Tst. Mages. Ltd. (a) Registrar's Dest., Gornophy-Sas, Worshing W.Sr. 0405 502541. Dealing 0444 (59144 |
| UNIT TRUSTS | i | Figure 4.13 103 103 103 103 103 103 103 103 103 1 | 引 思兴 | E.T. Upit Managers Ltd. 80 Flor, 8 Demoster Sq., Lo. 2575. Desiling. 03-626 9431, Control Control | | Delineari |
| IQ, Heldeskerst Rd., Boernessesth High Income Ris & Finer Int. 1124 119.5 Rus Ins Equity 148.9 73.5 Russian 148.3 152. | | Income | 병 병덩 | Capital (Inc.) | 747 +63 19 1864 +64 19 643 +64 69 1814 +63 24 1814 +63 24 | Serge 16 |
| Capital Grants Seprisor Grants 134,6 143,25 John Brothe 185,5 All | - | Buckmaster Management Co. The Stock Enterpe, ECSP 2JT. General loc.lets | (11-588 2968 | Informational 100.2 U.S. & General 50.2 Tech 6 General 52.6 Impac 5 General 122.1 For East and Gen. 57 7 Employee. 132.4 | #34 #64 #3 #61 #45 64 1914 #65 64 1914 #65 64 \$37 #64 18 1904 #66 64 705 #61 10 | De (Across) |
| | | Account Mars. July 11 | 450 450 450 450 450 450 450 450 450 450 | Bartmore Fund Managers 2 St Mary Ave, ECSA BBP. Design age: 01-425 Straffston | | Do. (Access) |
| 10 10 10 10 10 10 10 10 | 超號 | CS Fund Managers Limited | ra) 126 | Ampreia Trust | 89.5 -0.2 0.95 18.9 -0.1 0.23 40.7 +0.3 2.97 45.4 +0.5 2.97 64.0 1.40 30.2 1.40 | 2, St May Ave, EC3A BBP. 01-R0 0311. Entry Access 1073 114-2 -25, 210 Entry Access 1073 12-2 -25, 210 Ext True Acc 40,3 67, 40,3 10,1 Ry Inquire Acc 72,3 74,9 40,3 10,1 Ry Inquire Acc 72,3 74,9 40,3 10,1 |
| Alkken Hunne IO, City Rond, ECLY 2AY. Impican Tach Fd | 01-628-6626 | 225 High Helborn, London WC1V 6PY. CS Justin Ford | H -131 122 | Europea Trea 28.3 Extra lecture 56.0 Far East Trest 77.8 Fined in Tit. 28.5 Sat Trest 25.7 | 30 +01 647 811 +02 047 351 -04 1143 | Cel Trina Inc. |
| ### 124 12 | 421 156 | Canada Life Unit Trust Mages 2-6 High St. Potters Bar, Heris. Can. Gev. Dist | 4 +12 147 4 -14 187 5 -14 187 | Dahai Fd. 106.2 Glotal Fd (Ost) | 115.7 -0.1 0.66 110.7 -0.1 0.66 16.7 +0.1 2.11 26.6 0.10 107.0 -0.1 153 | Local Authorities' Mutual Invest. Tst.* 77, Lancon Wall, ECO 108. 01-568 1815 Property Fond Line 30. 164 95 700 676.15 76 100 100 100 100 100 100 100 100 100 10 |
| ga, Technology — 84 92 92 sempt — 793 975 | 12 12 12 12 12 12 12 12 12 12 12 12 12 1 | Dr. Inc. Account 120 120 120 120 120 120 120 120 120 120 | 3 #3 -17 | Japan Trees | 33 +604 328 69 mm +611 605 2135 +677 425 | London & Manchester (Tst Mgot) Ltd |
| | (A)(g) erbessel, Essex 11457 & 227123 | 1, Olympic Way, Weeshiny, MAP ON B, Granth 207.8 271.7 Income 241.4 259.9 Far East 110.6 117. North American 117.6 127 | - 1년 2년 - 1년 2년 | DI & Energy Treet 1945 Second Sets Titl 1945 Second Sets Titl 1952 UK Sec Co. Rec. Treet 1959 Govett (John) Unit Reget Windhester No. 77 London Wall | •54 -02 180 Ltd. | Winshele Park, Extery, DIS 10S. 0992 215947. Geograf Tet. 122 94 40.2 40 learner Trest 122 20.0 65 learner Trest 22.0 24.5ed -0.2 1.0 |
| Interced Treats 161.6 172.1 176. | 1988 BB | Capel (James) Magt. Ltd. 100, 0ld Broad St, EC2N 180. | #1-585 6010 | Dealing: 01-389 Govett AmericanGrowth 52-6 Govett America (et | | London Law Unit Trust Hingt. Ltd. Balley Har., Did Sescool Lave, EC4. 01-236-6125 Copital Growth |
| noone Trusts 74. 28.2 30.1 inches income Trust | | Herth Assesses 1991 209 Friezs on July 10. Heat deaths | 367 11. | Colorett Incolor & Issue | 115.1 -04 0.77 174 -05 4.36 184 +04 2.65 1800 -05 2.65 | Mr & Greens (p)(c) Three Charts, Toner Men, EC3R 680, 01.435, 4500 American & General 1888 9 202.1 −0.3 288 Chazan Sector 171 0 272 1 −0.3 288 American Sector 171 0 272 1 −0.3 288 |
| int Sers Trest 29.6 29.1 Started Trest 58.1 57.1 Sept. 58.1 Sept. 57.5 Sept. | E 121 9267 | 1, King William St, EC4N 7AU. Cater Alien Six Ts:h00.9 107 | 07-623-6314 11.04 Er | Exercit Par July 11 | 98.0 :::: 1.22 | American Serve Cars |
| ec. of Amer. Tyl | | Cest. Bd. of Fig. of Charch at 77 Landon Wall, EC24 1DB. to Fund Jane 30 323.05 Fad Int Sets Jane 30 133.15 Day Fd Jane 38 100.0 | 01-588 1815 | Grandle Capital | 49 # 223 RDETS | Accomplete Units - 495 |
| See Value 19. 10.1.0 171.1 di Green 19. 52.6 54.0 miler Co.1s 91.2 97.1 miler Co.1s 91.2 91.2 miler Co.1s 91.2 miler | 3 1.4 3 1.4 | Charineo Charities N/R Fund; | m-638 4121 | Grestum Gretel Growth _193.5 Grestum lec194.9 Grofund Managers Limite | 100.01 | Access (1985) |
| Editation 751 | 4 101 647 | Income Jane 28 153.50 Do. Actors 150.50 Charities Official Invest. Fund 77 Looks Well. EC2N 108. | # 01-500 1815 | Pioners Hall, 89 Austin Friers, El Grolind American Trest. 178.0 Grolind Early Trest | 73.7 -16 158 65.5 -13 250 | Account March Ma |
| ishen Wieler Unit Tst. Mani | t, Ltd. | income June 30 209 70 Accome June 30 209 70 Accome June 30 209 70 Ethic State Trust Managers Ltd | = 42 | Grand Japan Treat | | GRI (spane 57.5 et 40.2 47.9 (Arcsen (mbs) 57.5 et 47.3 47.9 et 47 |
| 9, Widegade St., Landon El. 7HP. Refer Cardi Fé. Inc | 0.3771010 | 11, New St., ECZM 4TP. American 19.1 41. Activation 18.6 20. Laton & General 57.2 41. | 01-283 1965 d +0.11 0.65 | European 124,8 6/2 & Fized 115.1 Grand Eq. 147.7 Georgian 221,8 May American 122.3 | 1928a +0.6 0.40 119 h +0.9 9.76 157.2 +0.5 2.91 229.8 +1.2 3.90 130.7 -0.1 2.60 136.3 -0.6 0.50 | Add |
| irhethnot Securities Ltd. (a)(c) 31, Findany Pinomeni, EC2A LAY, apital Grouth46.6 49.8 anggoth72.7 77.7 | 01-628 9676. +0.2 215 -0.4 410 -0.7 410 | int. Trest | 9 49 23 | Prop Shares 151.9 Smill Cos 154.9 Culls Management Limits | | International Inc. 46.2 49.0 -6.3 6.32 6.30 |
| Accomptation) 121.7 150.1 10% Withdraws) 20.6 41.2 actors & letterad 27.0 93.0 | 3333 3444 3444 3444 3444 3444 3444 344 | Confederation Funds Mgt. Ltd 50, Changery Lane, WC2A 3HE. | L (a) (11-342 0282 | 12a Firsbury Sq. EC2A 1LT. Guild UK Cap | 01-628-6050 203 -011 2.01 253 +011 0.75 | (Access, Clots) |
| breign Growth | | County Bank UT Services Ltd Kananas of Rativest Unit Treets | | Handbres Sank Unit Trest Premier U.T. Admin, 5 Rayleigh Essex. HBL Canadan Treas | Rs, Hetton, Brentwood 0277 217916 | Trustee 3163 338.4 -0.7 519 [Acong Batts] |
| 1911 190 191 192 193 | +03 2/0 943 -04 0% -07 0% -01 222 | 161, Cheapside, EC2V 6EU. | (IL-726)999 ag +0.3 204 27 +0.4 617 40.5 3.09 | HB. Controller Tra | 44 (J) 252 65.9 (J) 5.96 61.4 (J) 226 673 (J) 685 99.4 (J) 249 55.0 (J) 249 60.0 (J) 245 | Specialist Female Spec |
| orticle Treat ong Kong | | Git Strategy 52 1 54 Gistes in: 1 mst 77.8 50 | +05 100 100 100 101 105 103 103 103 103 103 103 103 103 103 103 | HBL Seater Cos Tri | i (a) (h) (c) micish Road, Hutton, | MGRN Unit Managers Ltd. MGM Noss, Reem Rt, Wortbeg. 01-623 8211 High Nr |
| reinary Guit Tst. Mgs. Ltd.(a) | (c) | Capum Resignaem | 4 -0.7 0.2 9 -0.7 1.4 9 -0.7 1.4 1.0 -0.7 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 1.4 | B.K. Pends Special Sts | 027 21728 190 +12 152 1510 +17 152 1510 +17 152 164 +02 252 164 +04 252 | MLA Upit Trust Management Ltd |
| 2 Sen Street, Loudon, EC2M 2QP. Led195.2 206.9e reach Field28.9 30.4 Left Yield Egytty Fil51.5 54.8e | 01-377752 | For Confession Unit Treat set Temple Crayen Unit Treat Services Ltd Crayen House, Wolden SU21 1XW. 0 | L | (Acc. Units) | 900 +03 22 900 +03 32 | Old Openes St, SW2A SU6. 256ad 00:-222 (2011) MEA Gent 19. 29. 216ad 40.2 2.0 MEA Gent 19. 29. 31.5 +0.1 2.9 MEA Gent 19. 20.3 +0.1 1.9 GEN LINE THEEL 22.7 20.3 +0.1 20.3 |
| rkwright Mannyement aranage Garden, Manchester duright Folkey 9 | (0) 202 (1) 202 | Cream High Inc. Trass | 40 577 +14 577 +14 577 | kor, & Grands | 130 +12 494 20154 +22 494 130 +03 532 12844 +17 531 754 +02 535 | Manufife Management Ltd. Scorge's Way, Stevenage. 0438 356101 |
| theta Unit Managers Ltd. 6, Moorpale, ECR 651, (0.438 1711 | | Dartington Velt Trust Magt. 1 Dartington, Totaes, Davin TQP 6JE. Total Perl. Unit Truss | 0803 862271. | Smiller Ces Div | 449 +02 955 5604 +04 103 | Greath Helts |
| nericas Sept Beth 50.7 54.0 pedan Trest 65.5 70.4 p., Par East 50.9 44.6 | | Discretionary Unit Fund Mann 36/38 New Broad St, EC2M 1NU. Disc inc. July 12 | gers (0.6384485 ⊯ | Chatcal Tech | 541 -01 05 674 +01 15 177 +03 15 177 +0 | Mayflower Management Co. Ltd. |
| allie Gifford & Co. Ltd. Geolisis St. Editoryk. 17 Er-Jun 19 | 052-226-6066 | EFM Unit Trust Managers Ltd 4 Malitik Crescen, Ediatoryk. EFM American Pandizi Jal.4 65 EFM Capital Fandizi J57.9 61. EFM Growth & Igs. PULI 185.8 109. | e01-22-3492 | Australian 50.6 - 179.6 European Samit Cos. 97.2 P. A. | (64 -04 127 | 14-18, Greekam St, EC2V 7AU. beams Lift? |
| K Ex June 28 | | EFN (Not Dist. Fol. 12) | | | 鸿 福 祭 | McAnally, Fund. Management. Ltd. Rogis House, King William St, EC4. (01-623 4951 Debth let. Tst. for |
| G Acordea (2) 128.7 134.5 Total (2) 179.0 | +0.6 151 +0.6 151 -11 152 +15 540 +0.6 202 | FFII Seels Lay Crystol. 1929 20. 25. 25. 25. 25. 25. 25. 25. 25. 25. 25 | 9 027 | High Income | 94.24 +0.5 6.13 90.5 +0.2 1.56 272.1 1.96 | Gen Face 1672 1341 458 Mencap Unit Trest Mages Ltd (a)(c)(e) Voicen its, 252 Rominel Rt. E7. 01-534 3544 |
| erclays Unicorn Ltd.(a)(c)(e) please No. 252, Remiord Rd., E7. | 01-534-5544 | Smit-Jap Cos July 12 | ā □ 100 | Japan July 12 79.3 American July 12 77.6 Gentral Teat July 12 12.1 Pacific Ex Tet July 12 12.5.9 Heritable Unit Trust Man | | Mercary Filind Managers Ltd. 33 King William St, EDAR PAS. 01-280 2860 |
| Acute Armica 74.7 79.6 A Aust, Arc 129.2 157.6 B Aust, Inc 123.3 99.24 D Coulon 1 161.2 177.4 E Element Tot 305.5 524.9 | 74 14 74 14 74 74 14 74 74 14 74 74 74 74 74 74 74 74 74 74 74 74 74 | 4 Fore Street, London, EC2 E.A. lacrone Ford | | 52 Berkeley Square, London W2 Growth Fund | X6EH 01-473-6621 603 | American Greek |
| Etra beome 913 57.0 Financia 1755 186.6 900 190.0 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100.9 100. | 104 199 104 199 101 199 101 199 101 197 | Equitable Units Administration 35 Fourgain St., Monthester M2 2AF For Enterold | 041-256 5485 | Hesmass Guit Trust Mans 30 Friar St, Rending, Berts. Carertain Fand | 99875 Ltd. 9734 595511 71.4 447 59.84 445 | George Units |
| Gr. Pacific Inc | 200 - 0.0 | High Incorne(z) 52.9 55. North American(z) 47.3 50. Perican(z) 272.3 289. Special Statz) 52.0 55. Tat of the Total(z) 50.0 53. | -03 030 +02 956 -03 173 -25 430 -23 182 -03 182 | Hexagon Services Ltd. 28 Western Rd., Rondord RMI 3 Aust Friers | US 0708-65322 1906 - 257 | 177 178 179 |
| a. Special Sits. Trg | | Equity & Law Un. Tr. M. (a) (St Georges Hose, Corporation St, Covers: UK Govit. Tr. Acc (b) | y 0203553231 si -0.5i 4.37 | Hill Samuel Unit Tot. Mg 46 Beech St. EC2P 2LX. | rs.† (a) 01-628-8011 | Receivery 130,6 190,9 +82 5.85 (Account Units) 130,1 100,7 +9.1 5.85 (Account Units) 135,1 100,7 +9.1 5.85 (Account Units) 135,1 101,7 +9.1 5.87 (Account Units) 135,0 256,6 -0.2 3.07 |
| | | UK Gwis, Tu, Acc (s) | 見 説 説 | to Capital Trust | .744 +Q3 307 | Adidiand Bank Group U.T. Mages, Ltd. Coortined House, Silver St, Head, Sheffield, S1 3RD. Tel: 0742 79842 Capital 5815 623nd -0.21 3.33 |
| aring Fund Menagers Ltd. 0. 8cm 156, Bershaham, Kant BR3 4X6 atmin 44.6 47.7 40.8 46.8 atmin 57.1 60.7 | -0.1 0.86 1.00 +0.5 1.00 | II, America Tsi Acc (1) 119/4 127. For East Tsi Acc (1) 119/4 127. For East Tsi Acc (1) 181.0 84. Earnee Tsi Acc (1) 18.4 91. General Trist (1) 172.3 183. | | Chi Cit & Fad int inc | | (Accom Units) 78.0 63.2 -0.3 3.35 (Accom Units) Acc. 100.5 112.5 -0.4 3.25 (Accom Units) 144.4 [54.0 -0.7 3.25 (Accom Units) 17.6 50.0ml 9.0 (Accom Units) 22.1 56.0 9.0 (Accom Units) 22.1 56.0 9.0 (Accom Units) 22.1 56.0 9.0 |
| Maria Line" 499.7 489.2 A Arma " 594.0 722.9 Tri. Japan 48.3 51.6 pan Sector 48.3 51.6 pan Sector 48.3 48.1 Pant Line 48.3 48.1 | -0.2 400 -0.2 400 | F & C Unit Management 1 Lawrence Postney Hill, ECAR OBA. F & C American F4 | 01-623-4680 11 -01 0.60 12 -01 0.60 14 -01 0.66 | (g) Jupas Tech Tst | 23.4 -0.2 289 24.5 -0.2 289 138.6 +0.5 345 55.6 +0.6 189 74.6 +0.2 225 | Git A Fred. Int |
| arriagtoe Mgust Co Limited Gresson Street, EC2P 208. | 01-606 4433 | F & C Pixed by F4 \$4.0 | 4 4 4 | I.B.I. Forsel Managers Ltd. 32 Queen Anne's Gete, Loudon St I.B.I. Brit. & O'seas | W1H 9AB. 01-222 1000 | Mark America |
| 2. (Mar.) July 10 | 77 | FS investment Managers Ltd. 190 West Georye St., Glasgow. FS Batanood Graft Fd 234.1 299. FS inc Graft Fd 23.5 23. Sprice Co's Fd 23.5 27. | 042-332-6462 | LBJ. for Tes. 54.6 LBJ. Secrety Git 53.0 Key Fund Managers 1.14. 35, Fountsin St. Marchester M2: | (e)(e) | Clean List |
| | 三線 | Fidelity International Manager Stree Walk, Tostridge, TN9 10Y. | pent Ltd. 0732361144 | Key Emity & Gen | 1701 +1.6 1.61 1605 +0.7 5.33 60.5 11.53 | Minester Homm, Arthur St, EC4R 98H. 01-623 1050 Minester 183.8 89.8 4.58 Element June 28 1803.2 211.2 4.05 |
| orth Assertion July 12 209.0 219.44 6000. (Julys) 940.2 252.1 6000. (Julys) 940.2 252.1 6000. (Julys) 967.2 6000. (Julys) 967.4 6000. (Julys) 128.2 6000. (Julys) 128.2 138.1 | 192338 | American (2) | 176 176 176 176 176 176 176 176 176 176 | 20, Feedbarth St, EC3. VB VM. Layrinn (1894/1), 20,3 VB OH. Egyster (1894/1) 32.9 VB Fit lay Tyte | 01.423.8000 | Montage Unit Trest lifers. Ltd. 11 Dreumbire Squiny, Lendon, ECSM 47R. 02-626 3434, Dealing D2-623 423 634 & Prec. Metals |
| ishopogude Progressive Myssit. 5 Holony Vinders, ECLA 2017. | Co. 01-246 4000 | Japan Special Set 17 (42-5) Ja | | KBS-ntrCoryFeline 109.9 KBS-ntCoryFeline 140.7 KB Hope Vist. Fel. Inc. 172.4 KB Hope Vist. Fel. Inc. 172.4 | 잃러 그렇 [발 | Japan Performance |
| Pouls (Prog. July 9 742.9 767.5 22 Uses Sub 9 2002.9 2004.2 23 Uses Sub 9 2004.2 24 Uses Sub 9 2004.3 25 Uses Sub 9 2004.3 25 Uses Sub 9 2004.3 26 Uses Sub 9 2004.3 27 Uses Sub 9 2004.3 | | Giff & Flood Int. 1917 75.3. For East Int. 1917 75.3. For East Int. 1911 12.3 Physician Country State 12.3 Physician of Country State 12.3 Physician Country State 12.3 Physician Country State 12.3 Physician Country State 1918 1918 1918 1918 1918 1918 1918 191 | 3 133 53 | NS Agray Gab Inc. 53.9 105 Agray Gab. Adm. 54.2 105 Inc. Recovery Inc. 54.2 105 Inc. Recovery Acc. 70.5 105 Jap Greth Acc. 46.8 105 World Tech Inc. 35.5 105 World Tech Acc. 35.6 | | UK Henrier Fests. 673 60.3 40.3 1.79 (decem. Henrie Fests. 673 51.6 40.2 1.79 (decem. Henrie Fests. 54.5 60.3 40.3 0.65 (decem. Henrie Fests. 54.5 60.3 40.3 0.65 (decem. Henrie Fests. 54.6 60.3 40.3 0.65 (decem. Henrie Fests. 52.2 57.7 60.1 7.36 (decem. Henrie Fests. 70.1 909.2 +1.6 3.02 (decem. Henrie Fests. 70.1 909.2 +1.6 3.02 (decem. Henrie Fests. 70.1 90.8 92.1 1.71 3.02 |
| rewin Delpisin Unit Tst Mogrs | L## | J. Fleing internal? | 4 二法 | LAS Unit Trust Managers | L 031-2254908 | Merray Johnstone U.T. Mgat. (a) 153, Nose Street, Elssone, G2 24/N. 163, Nose Street, Elssone, G2 24/N. 164, Nose Street, Elssone, G2 24/N. 165, Nose Street, G2 24/N. 167, Nose Street |
| GEISper St, London, ECTA 90E. Texis Capital Fel | 01.2434400 | J. Fisher, Fiction Tys. P. J. BSJ. Access. Limits | | 93 George St, Edinburgh, EH2 3J LAS Hat, Growth TH. 25.8 LAS High Income Tax. 29.7 LAS M, American Equaty 27.8 LAS UK Equity Tex. 28.4 LAS Japan 22.5 | 20 +01 24 201 - 7.5 201 - 1.5 201 +01 150 | Harray Execut. Feeds Aper. Econol* July 3 |
| ridge Fund Managers (a)(c) rgis House, King William St, ECA. uur, Gas. lus (| 01-623 4951 0.57 | 8, Cresty Square, ECSA 6AN. 1thm Empty (1977) 1304.25 310.7 1thm Empty (1977) 1713 278.0 | | L & C Unit Trust Manage Pierry Hie, Copting Ave, ECZR 7 L&C Inc. Find 131R.0 L&C Int & Gen Pd 1845 | | Erro Exemper July 3 1922 1913 1.96 Jahra Exempt July 3 222 295.34 231 Respond Encrypt July 1015.8 194.6 3.35 SE Ara Entrypt July 1015.8 194.6 3.35 Winnelwriset 197.1 279 Winnelwriset 197.1 197.1 197.1 NFU Steinhal Unit Manageurs Ltd. |
| 104.0 13.7 105.0 13.7 105.0 17.4 106.0 125.4 | コ器 | tien Prop Tell'1553 | ori-628 5180. | Lagrentian Unit Tst Mags Imperial Life Hse., London Rd., G Greats Trag | mat 1.td inkford, 0483 503649 | 25 Fountain St., Manchesser, N2 2AF 061-236 5685 Ann Equity |
| Denting "Tees, Shiel, Titur, Prices, In | dy 9/10/11. | Array, 5 Com. 1974 203. (Account, United 1974 205.) Arr. Parcelet 179.0 199. (Account, United 1988 199.) | 된 +6위 — | Laurson Fund Managers L Cl, Charlotte Sq. Edichurgh EH2. American Gris(H1)55.5 | td. (a) (c) (g) . 931-225 6001 61 0 | 48, Erzentwich SI, ECSP 3HH. 01-629 4200 HPI Dis Un Tet. 755.1 MAURI +0.4 35 (Accuss Units) 756.4 251.7 +0.9 35 NPI O'bean Trest. 407.8 431.4 +1.0 13 |
| tamb. Vicepaint 01-675 6666 | L (a)(e)(y) ender EC2 01- 638 0478/0479 | Capted Vivet 1998 162/ Dezem, Units) 1998 190/ Convertible & GR 1980 190/ Occurs Units) 190/ 190/ | דוו למו ב | 43, Charlotte Sq., Edinburgh EH2. American Grib | 61.0 — 150 17.0 — 3.6 15.4 — 0.6 4.2 15.1 — 250 7.8 — 250 27.5 — 10.20 27.5 — 10.20 | German (Long) |
| K Specialist Frank wate Gill Treat 53.5 94.3 100-ery 73.9 78.6 100-ery 113.9 121.5 | 0.99 0.5 1.51 0.3 1.35 | (Access Units) | | Lazzed Brothers & Co Lin 21, Moorfieks, EC2P 2HT. | L | For Fishman Westminster on County Bust: Norces Found Managers Linested **Translate Sa Fishman EMP 408 021-295 4571 |
| renni Fands K Grouns (Domesde) <u>be</u> .4 30.3 | -81 127 | M. Street Pd. 1958 195. 195. 195. 195. 195. 195. 195. 195. | 2 -04 057 4 +04 057 4 +07 153 4 +07 153 5 +07 153 | UK Funds Capital 158.1 Integrapes 158.6 Income 1702.4 Lucion 940.0 | 166.4 +0.1 2.66 163.8 +0.4 3.79 107.8 +0.4 7.79 570.3 274 | 3 Charlette Sq. Edicherph, EH2 40S. 057-225-4572 For East Treat |
| 147.5 157.7 147.5 157.7 147.5 157.3 147.5 157.3 147.5 157.3 | +0.1 9.48 +0.4 5.22 6.24 11.02 | Robert Fraser Trust Mgt. Ltd., 29 Albertario St, W1. Rate Fraser Ut. Tel | 01-495 3211 d 120 | Enterpt Funds UK Fixed Int | 100 100 100 100 100 100 100 100 100 100 | 3 London Wall Blogs, EC2M 5Ptl. 117.01 (11-036 1212 Hordens John 40 11-036 1212 Hordens John 40 11-03 1270 11-03 139 Usersai, Usada 11-03 139 Usersai, Us |
| mancally States | +0.7 178 | Friends Prov. Trust Managers (Picture End, Dorklop. T F.P. Knoby Units | (a)(b)(c) el. 0306 885055 | Northwest 5100 Storth West 5100 Eastern Coarties 5101.0 West Middens 5100.0 Intl. Road 5175.0 | 117.02 -4.01 3.00 | PO Box 4, Norwich, NR1 3MG. Oxf03 622200 Group Tat. Famil 1643.7 909.2 +7.8 4.90 Group tetal Ta. Fe |
| | -13 tk | F.P. Equity Units 152.2 ho.1. to. Account 152.2 ho.2. to. Account 152.2 ho.2. to. 152.9 ho.2. to. 152.2 ho.2. | ll #영양 | American 5286.5 For Eastern 5791.5 Australian 5185.0 European 5791.60.0 | 2445 1)446 196.00 22600 22600 | Octavians Unit Trest Mgrs Ltd 64 Fencium 65, E03M 45Y. 02-2650371 Special Trest 45 47.4 |
| n, Sangler Cot | +01 190 -05 228 -05 200 -05 119 | Funds in Court* Public Transe, Kingson, WC2. | 01-405-4300 3.31 | int à Grant Property _6760.0 inter-Linkot Martyage_6116.0 Legal & General (Unit Tsi | 128.4 | Oppenheimer Fand Mingt LLS. 60 Casen St. Landon EC44 6AE. 61 -236 3865 Section St. Landon EC44 6AE. 61 -236 3865 International Ectoritis. 73 B 25-6 -0.8 1.2a Section Sequence 93.0 4.2 3.9 Section Sequence 52.4 6.2a -0.4 1.00 |
| page Perf. Trest | -34 66 | Grier, July 4 1150 179, 10 High Yield July 4 1150 1070 "Usmath. Restricted to popoles under | and Service Count service | 5 Reyleigh Rd, Brestwood. Equity Dis | | American Granta 27.7 29.5 3.00 |
| anact Funds propert | | GAM Sherfing Miningement Ltd (ler. Megrs. Global Asset Magi. List.) 12 St. James's Place, Lundon, SW1. CAM ES Let.Job 12 | 11495 9990 | Leonine Administration Li 20, Coptini Are, EC2R 7.18. Leo Statthetes 1994.0 Leo Acces 294.0 | | 100 |
| | | | | | | TOTAL VINELEN |

5 One leaves fish plant (5) ACROSS 6 They're honourably dis-charged—with credit in, that is, arising (7)

F.T. CROSSWORD PUZZLE No. 5,770

1 Whistler in the kitchen? (6) 4 Delivery of variable length

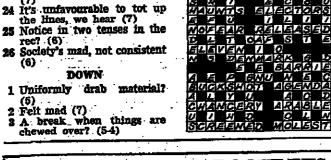
(6)
8 Lucy with man? That could be seen, be stander (7)
9 Larwood was—with due deference to human beings (7)
11 Airy dwelling in the main (63)
12 Ah! loosing belted louis? (9)

11 Airy dwelling in the main
(10)
12 Interested in book I love to
wrap up (4)
13 Sort of hotel, Dry? Oh,
oddly—yes (5)
14 Catch smokers—they produce a sound mixture (8)
16 Business traffic (8)
18 Fertile snot for arranging
(6-3)
12 Ah! loosing belted louts? (9)
15 Converted figures for tax
purposes? (7, 2)
17 Get out of country with road
scrape (7)
19 Present done up for crawler
(7)
10 Kind of liquor for a republic
(5)

18 Fertile spot for arranging flowers (5)
20 Ruler making line, in part 21 Master in MA representation

-a prominent trend (10) 23 Standard competent story 24 It's unfavourable to tot up the lines, we hear (7)
25 Notice in two tenses in the rec? (6)

DOWN 1 Uniformly drab material? Felt mad (7)

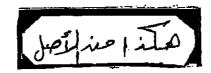


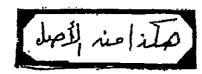
FINANCIAL TIMES BOOKLETS The following booklets are available from the Financial Times:

How to calculate Capital Gains Tax How to expense Capital Gains Tax
How to compete on equal terms
Venture Capital
FT European Top 560
(1985 edition to be published in September)

To order your copy, please write to:
Ms Nicola Banham, Publicity Department
Financial Times Limited Bracken House, 18 Cannon Street, London ECAP 4BY enclosing a cheque for the value of your order

| 30 Pearl Trust Managers Ltd. (a)(g) TSB Unit Trusts (b) (c) (y) TSC Main Mahangers Ltd. (a)(g) TSC Main Mahangers (b) (c) (y) TSC Main Mahangers (b) (c) (b) TSC Main Mahangers (b) (c) (b) | | Financial Times Tuesday July 16 1985 Manufactures Life Insurance Co (UK) Manufactures Life Insurance Co (UK) Greene's Way, Services Olio 356101 Lead Horse, Croycoc CR 11.0. Olio 1890 Olio 18 |
|--|--|---|
| Part Gramp 6 | AUTHORISED UNIT TRUSTS & INSURANCES Allied Dumbar Assurance PLC Aliced Dumbar Assurance PLC Aliced Dumbar Ctr. Swindow Shill IEL 0793-28291 Confederation Life Insurance Co. Confederation Life Insu | Manager 100 260 |
| Arrestan Egypetti 55.0 600 -01 0.068 528 berryalama - 2222 100 -01 100 000 000 000 000 000 000 000 | Firet in Dep Acc. 1705.3 216.27 Life Funds 1772.2 497.0 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 Surrey RT20 5EU Burgh Health 53456 Perfision 6 Late. 120.3 | De Access 1978 1974 19 |
| Prolific Unit Trusts 22.8 Sixed Ones. 19.9 66 8 40.1 277 22.8 Sixed Ones. 19.9 66 8 40.1 277 Prolific Error les. 50.1 10.4 9 -1.3 0.77 Prolific Circle les. 50.1 10.4 9 -1.3 0.77 Prolific Circle les. 50.1 10.4 9 -1.3 0.77 Prolific Hotal Inc. 50.3 66.0 -0.2 186. Applicatory (C296) 5791 Prolific Incl. 50.3 66.0 -0.2 186. Applicatory (C296) 5791 Prolific Inc. 50.3 117.7 Inc. 50.0 2 18. Small Co \ Fonds (C296) 5791 Prolific Sacc. 583 1.1.2 3 177 ml -0.2 186. Prolific Sacc. 583 1.1.2 3 177 ml -0.2 186. | American Prop Act | Property Erwitz Persistent Ltd. 2019 Property Erwitz Persistent Ltd. 2019 Property Erwitz Persistent Ltd. 2019 201 |
| Providence Capital Fd. Mors. Ltd. 30 Ushridge Road, Lordon, W12 8PG 01-799 9111 American Eagle 04.4 85 94 0-4 2.77 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | Pro Eq. Acc | Mgory Miss. Pers |
| Fragential Unit Trust Magers Ltd. (a) (b) (c) Gi Castud | Pen D.A.F. Can | Stanged Pets |
| Political Heap No. 10 10 10 10 10 10 10 1 | Early Fd Acr 992 19A5 9 99 Per lev Turs Acr 122.7 127.1 40.1 40.1 40.1 40.1 40.1 40.1 40.1 40 | Do. Perus. 20-9.3 |
| Reed Steahamse Inv Services Ltd 145 Borough High St, Ltm SEI INV 01-28 6011 Temple Bar Unit Trust Mgrs Ltd 145 Borough High St, Ltm SEI INV 01-28 6011 Temple Bar Unit Trust Mgrs Ltd 145 Borough Investment 148 4 515 150 Berry Small Co. Fd. 117 0 124 18 7 18 18 18 18 18 18 18 18 18 18 18 18 18 | Giff veloped Accuse (10 185.9 195.77 + 40.51 | Desire |
| Bright Life | Da. Institut (2) | Access Property 96.5 107.0 June Acc. 96.7 107.1 Access Resided DO7 0 113.5 Sortin American Acc. 103.2 108.9 Guilland Access Resided DO7 0 113.5 Sortin American Acc. 103.2 108.9 Guilland Acc. 103.5 103.2 Guilland Acc. 103.5 103.5 Guilland Acc. 103.5 G |
| tecome UT | Equity Pec. Acc. 11 108.2 114.9 4-0.5 — CC. Hernderson 109.2 114.0 — Do. Accoun 199.2 105.4 — Dis State May 11 139.1 139.0 — Dis State May 11 139.7 36.5 9 — Dis State May 11 139.7 36.5 9 — Dis State May 11 139.7 36.5 9 — District | Provident Life Assoc of London Ltd 256 Bishospus, EC2M 48P. 01-247 3200 NEL Pensions Ltd. 1306.897766 Ecoh Ford Design Scott 201. 247 3200 Ecoh Ford Design Scott 201. 248 257 257 258 258 258 258 258 258 258 258 258 258 |
| NC Inspection 1105 105 1 -1.1 dist 110, whom Soret, E.C. 110 1 100, whom Soret, E.C. 110 1 105 1 1 | Money Fem. (r) | Brit Econom 16 Pi Acc 106.1 106.4 Property Ford 106.1 111.5 Property Ford 106.1 Indicate Indica |
| Review Unit Trest Magt. (a) (Accum. Intist.) 568 9527 7 479 17 17 17 17 17 17 17 17 17 17 17 17 17 | Property Fd | Provident minimal Life Assoc Assoc 1920 Provident minimal Life Assoc Assoc 1920 Provident minimal Life Assoc Assoc Assoc 1920 Provident minimal Life Assoc 1920 Provident mi |
| High Intervent 118.5 19.5at 12.5bt 12.5bt 13.5bt 13. | int. Technology Fig. 2012-02 255 37 - 12-52 - Henderson Administration Fig. 257 10-10-10-10-10-10-10-10-10-10-10-10-10-1 | Propert Orl. 118.0 20.2 |
| Access Buils | American Fund 91.3 96.1 American Rev. 97.0 93.8 9 Decom. 127.3 156.9 Unit Entropy 55.9 1.5 - High Income Acc. 277.0 28.9 Decom. 127.5 156.3 157.0 LD What Fee. 111.5 117.4 +0.3 - Foreign Re 127.5 134.2 Decom. Fd. 112.7 134.2 Decom. Fd. 112.7 134.2 Decom. Fd. 112.7 134.2 Decom. Fd. 112.9 LD Galler Health Care 106.6 LD Galler Health Care 106.6 LD | Pers. Managed |
| Jacob Growth 86.2 44.3 45.3 Income 116.9 179 and 40.4 569 50000 179 | Form from Co. 1487 1778 Smith Front for 1779 1891 Smith Fact 1821 total Cartesia Co. 1891 Smith Fact 1821 Smit | Fired interest Brd. |
| SKG Management Limited (Accommunity 59.8 276.9 11.1) 20 Control Ave. EC2R 7/S. 01-600 7595 Accommunity 176.9 198.4 +1.0 2.98 | Earthy 6th May 1 119.4 | Managed 101.3 108.47 Cast Fd 100.0 199.3 Property 100.22 195.50 Property 100.22 195.50 Property 100.2 Pr |
| Sava Ramangement Laborates 20 Copythal Ave, ECZR 715. 01-600 7595 Smaller Co | Capital Found (7) 187.0 | 48, Gratechorch St, ECSP 34H. 01-623 4200 Serval Sets. 254.3 284.0 -1.3 -1.4 19.0 19.0 19.0 19.0 19.0 19.0 19.0 19.0 |
| 1.7.0. 64.6 64.0: 40.1 3.19 Setet impressional 56.1 59 9 -0.2 2.39 Vangeard Trust Managers Ltd. Univ. School 64.0 -0.4 2.29 Sash Hee, London, ECLA 2EU, 03-236 5060 | Early Lois Early | Depose |
| 10 10 10 10 10 10 10 10 | 201 int Novy Acc. 1955 1644 404 - Experite Usits 123.1 +14 3.5 Penden Foot Prices 201 167 6 67 107 9 144 - 0.2 Experite Usits 123.1 +14 3.5 Penden Foot Prices 201 167 6 7 107 9 144 193.2 Prices 130.2 - 0.4 Prices 130.2 - 0.4 Prices 130.2 - 0.4 Prices 130.2 Prices 130.2 103.2 Prices 130.2 103.2 Prices 130.2 103.2 Prices 130.2 103.2 Prices 130.2 Prices 130 | Production 1972 2027 |
| 10 10 10 10 10 10 10 10 | 2nd Sept Press Age 1993 274.4 + 1.7 For Eastern(1) 104.6 90 6 -0.5 Managed Act 194.3 14.1 36.12 Managed Act 194.5 Manage | Depost 111.3 117.2 Depost Instate Insta |
| Waverley Asset Management Ltd (a) (c) (g) Waverley Asset Management Ltd (a) (c) (g) | 11 New Street, 6C2M 4TP. 01-626 1533 Property 204.8 Fraction Funds Fraction Fun | Hew Zealand Internance PLC Pro-Linked Retirement Pro- 110/114, Banter Avenue, Southerd, 107021 344555 Gast Fell 192.4 192.4 193.8 193. |
| Accord Units | Comparison Com | 1.5 |
| Conference | Correct Series 107.3 113.0 | Herrsich Union Insurance Group 100.4 114.2 114 |
| 100 | State Stat | Runylich Onion Life Imperators Color C |
| 100 (Innextment Minst M & 6 hrs Moos Ltd) 101 101 1022 35542 102 101 102 1022 35542 103 103 103 103 103 103 103 103 103 103 | Pers No Follows 3 | Her Uses Ame 15 545,1 J. Heigel States Ford 100,9 112.5 -0.0 Hery Ford 115.2 121 |
| 10.00 10.0 | International 1952 100.3 Family 0. Fixed int. 1166.0 1199.4 Imperial Life House, London Rd, Gelddford 571.255 Amer Bone (Acr.) 176.2 165.1 45.4 Security Sections 199.1 199.1 199.2 199.3 199.4 | 130.4 |
| Indianal Sec. 4 102 113.7 -0.2 -0.2 113.7 -0.2 | Eat 6 fixed inverte: 101.9 187.3 - 107 Tx, Fd Intell. 104.9 1.043 - 107 Earth Fd. 102.4 -0.7 102.4 -0.7 102.4 -0.7 102.4 | Bal. Inv. Fd. 1922.0 1934 1942 1944 1945 194 |
| Un Sante Cas. (paty J979 1841) 2473 404 3479 Managed Ser 4 Cap. 1994 2072 4-03 - 1894 Cas. (paty J979 1841) 249 Managed Ser 4 Cap. 1845 133.11 - 1841 249 Cas. (paty J979 1841) 249 Managed Ser 4 Cap. 1845 133.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 183.11 - 1841 249 Managed Ser 4 Cap. 1845 1845 1841 249 Managed Ser 4 Cap. 1845 1841 249 Ma | Prices so July 10, that declars on Westernam. Property Montes St. 125.5 | 102.9 103.3 1.7 108.3 1.7 108.3 1.7 108.3 1.7 108.3 1.7 108.3 1.7 108.3 1.7 108.3 1.7 108.3 1.7 1. |
| Securities Unit Managers Selective 100.0 219.9 -1.1 -1.2 -1.2 -1.2 -1.3 - | North Am Fd | Intal Errorus Act 107.9 92.5 -0.2 Fland Interest 270.5 294.7 25 -2 294.7 25 -2 294.7 25 -2 294.7 25 -2 294.7 25 -2 294.7 25 -2 294.7 25 -2 294.7 25 294.7 25 294.7 25 294.7 25 294.7 25 294.7 25 294.7 25 294.7 25 294.7 25 294.7 |
| Compose U | Findy Interrys | Figural Section 193.5 10 11 12 12 13 13 13 13 13 |
| Standard Life Trant Memt. Act. Process Cap 2 | Colonial Mutual Groups Property Act 100.2 100.5 Property Act 100.5 Property | Pioneer Mixhad Insurance Co. Ltd. Fed int Person 222.5 223.4 6.7 |
| Access Lines 1905 224 0 77 Access Lines 1904 1905 | The Western Fac. 1873 1973 4-23 - Preside Fac. 1873 1974 4-24 - Preside Fac. 1873 1974 4-24 - Preside Fac. 1873 1974 1975 19 | Price for the Life Series 4 Access Price for the Life Series 5 Access Price for |
| Sam Alikance Fund Management Ltd., 2003 56270 Portion Funis (Accessedate Geth) 2016 San Alikance Hes, Norshorn. 0403 56270 Servet | Find in the | Right Inc. 103 D 109 B |
| American Grouph Acc - 22.0 24.5 -0.1 2.0 Empty Eq. Acc U1 | Friedrick Service Life 179.0 198.4 1.0 According 197.3 188.4 1.0 According 197.3 189.5 1.0 According 197.3 189.5 1.0 According 197.3 189.5 According 197.3 According 197.3 189.5 According 197.3 189.5 According 197.3 | Ampress Text. 6d. 870 42.0 50.0 Accord. 273.4 Exercises Text. 6d. 110.0 116.0 Exercise. Prop. Intt. 851 87.0 110.0 Exercise Const. 110.0 116.0 50.0 Accord. 110.0 110.0 50.0 Accord. 110.0 50.0 Accord. 110.0 110.0 50.0 Accord. 110.0 Accor |
| UN POSSION P. 10 | Edds | 12.01 |
| ePerson on July 3. Next dealong August 7 Properties - 1 Next dealong August 7 Regist for Prop August 1 Next dealong 5 695.28] | Terepresent Tri 1973 +0.4 - [col. Managed Fores 1993.7 214 4 1 - Do. Accord 1953 1953 +0.1 - Do. Accord 1953 1853 -0.1 - | Tower Manage Inc Fd |





| Financial Times Tuesday July 16 1985 | | 31 |
|--|--|--|
| Screttish Life Investments Sum Life Unit Assurance Ltd. 1931 Andrew Square, Echinoris. 033-225-2211 St. Limes Suran, Bristol BS99-7S1 0272-426/911 Ottomore 1935 1935 1935 1935 1937 1937 1938 | INSURANCE, OVERSEAS & MONEY FUNDS | Royal Trust International Fd. Mngt. Ltd.(x) S.G. Warhung & Co. Ltd. and subsidiaries PD Box 194, St. Heler, Jersey 0534 27441 33, King William St. LCAR 9A5. 01-280 2222 Serving Fd. Laft 9A5. 01-280 2222 Serving |
| Find intervit 0013 1057 -0.3 - American Empty Ser. 17.5.7 185.0 -1.8 - Individual Confession (IRO.3 105.7 -0.3) - U.S. Saeth Ave. 107.5.7 185.0 1 -0.8 - Individual Confession (IRO.3 104.9 +0.11 - Janua Ave. 107.3 115.1 +0.2 - Individual Confession (IRO.3 104.9 +0.11 - Janua Ave. 107.3 115.1 +0.2 - Individual Confession (IRO.3 105.8 +0.3 - Individual Confession (IR | Arbothmost Securities (G.J.) List. (a)(c)(h) P.O. Box 428, St. Heller, Jersey. 0534 76077 Data location (T. U.) St. 1054 1.0540 1 | 2 Boolevard Royal, Lurenthoong Service Mile May 4 123 01 2139 148 SCIFECT NAV |
| Pero International | Aries Fund Managers Ltd. PO Box 643, 51 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 4 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 5 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 0534 75141. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 - 28.34 Helber, Jersey. 510.00 +0.001 8.25 Samey Fund 6 82.01 2.15 Samey Fund 6 82.01 2.1 | District ST-92 A.Bind +0.07 10.92 E. Sterland ST-92 15.85 +0.27 15.85 +0.27 15.85 +0.27 15.85 +0.27 15.85 +0.27 +0. |
| Pics End June 18 | 10, Bearrerstrasse CH6301, Zur, Switzerland Barer Std.lose 21. SP10.925 11,5001 The English Association 16 Advet St, Desgiss, Isle of Man. 66.24 20758 West Frank 1 | 10 10 10 10 10 10 10 10 |
| Open-tunity Fond 90.2 95.6 — Gelf Ford 97.2 101.0 +0.1 — Switss Life Pensions Ltd Compan Ford 97.3 101.0 +0.2 — Switss Life Pensions Ltd 101.0 +0.2 — 99.101 Loaden Rd Screenists 0732-450161 Index-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1 | ### 15.07 15.08 7.59 Peter Part, Guerney 0451.26541 Part 15.07 15.08 15.5 Surra 15.507 15.5 Surra 15.507 15.08 15.5 Surra 15.507 15.507 15.5 Surra 15.507 15 | Beyand Famil Series 1985 704 of 1.022 1.025 1. |
| Present Food 195 196 | Value sector of Westerlays Section Secti | Sarring |
| Milest 113.5 119.5 119.5 119.5 119.5 127.2 40.4 119.6 127.5 127.2 40.4 119.6 127.5 127.2 40.4 119.6 127.5 | Ven Mattheway Fe. 17,102.09 1 3.20 Lindon Aspert: FFS, Sakistary Heart, London Wall Price 18, 10.00 11 | Acr in Traillate 26. — \$22.04 Acr in Traillate 26. — \$22.04 Acr is It showing a series of the series |
| Do. Ord 104.0 124.3 +0.1 1075 but common room, Agreement, Agreemen | 10 10 10 10 10 10 10 10 | Sex 273 St. Peter Port, Germiey. O481 28750 |
| Deposit | Starting E10.06 | |
| Second State Seco | Married 11-57 | September Sept |
| Pear, Leavily For, 1971. 271.6 281.7 | ARRACT July 1 1554. Mr 60.39 | Hong Carrey Hr Fd. 1644 8 692.9 |
| Skandia Life Assurance Ca. Ltd. Frobher Has, Nelson See, S'th'rence 1703 334411 Standia Life Punts 1772 180 21 - 011 - 0 | Bridge Management Guerriscy Ltd.(a)(C/R) (6) High-Induse 10.56 (6) | Scringeour Kemp-See Mingrit, Jersey 1, Charing Cross St., Neiler, Jersey 1, Charing Cross St., Neiler, Jersey 1, St. Capach Tool |
| Emily Feb. 2 194.5 -0.4 | GPO Borr 990, Hong Kong Fac Structs My III | Forestand |
| Commerce | 11.73 11.7 | Found Manux Kennes Immest Treast Co List cell Victors de Conta Lid, King William Street, London, ECA Oil-623 2094 MAY Wee 8,748.AP. IDV once USSP,996.22. Seven Arrows Found IVV 62 de RayterGode, Caracan, Nedrerlands Antibles Manux M |
| Manager 100.4 116.2 -2 Trideat Life Assurance Co. Ltd | American Invests | Balletys Prince Account Balletys Prince Account Balletys Prince Account Balletys Prince Account Balletys Ballety |
| Money | App Perform 50,944 1,015 +0,015 | 1 |
| Property Cheers | All lensy heat, test daily Sept Par Fel (1) St. 5 Best Par Fel (1) | 119, Connon St. 01.623 6616 Authory Wagg St. Marrier NS., Hamiltonia Grove 01-748 951. Gold Fund. 12.23 1339 7 717 Hotol Fest. 23.149 1 10.92 Extra recover Fit. 201807 0.818 1 14.21 Standard Chartered Off. Money Mich Fund 1500-625 500 10.00 7.49 10.99 De- |
| House Name Perf. 172.6 182.5 | Second 1.00 | D-Start Design 4979 - 4-0.0042 4-0 Darringson, Totnes, Devon T09 6-JE. 0803 86:2271. Sents Frace Series COSE - 4-0.0042 1-03 Startingson, Totnes, Devon T09 6-JE. 0803 86:2271. Sents Frace Series COSE - 4-0.0042 1-03 Startingson, Totnes, Devon T09 6-JE. 0803 86:2271. Starting Manager Series COSE - 4-0.0043 1-03 Starting Manager Seri |
| Standis Principles Princi | 16.3 t Longes Service Unsugen 104. 16.3 t Longes Service Unsugen 104. 16.4 t Longes Service Unsugen 104. 16.4 t Longes Service Unsugen 104. 16.5 Longes Service Unsugen 104. 16.6 Longes Service Unsugen 104. 16.7 Longes Service Unsugen 104. 16.8 Longes Service Unsugen 104. | Net asset mine July 9, 99.55. Strategic Bletch Treat Magrs. Ltd. 48 Athor Street, Despits, John. 50 Expression of the Street, Despits, John. 51 Expression of the Street, Despits, John. 52 Expression of the Street, Despits, John. 53 Expression of the Street, Despits, John. 54 Expression of the Street, Despits, John. 55 Expression of the Street, Despits, John. 56 Expression of the Street, Despits, John. 57 Expression of the Street, Despits, John. 58 Expression of the Street, Despits, John. 58 Expression of the Street, Despits, John. 59 Expression of the Street, Despits, John. 50 Expression of the Street, Despits, John. 51 Expression of the Street, Despits, John. 52 Expression of the Street, Despits, John. 53 Expression of the Street, Despits, John. 53 Expression of the Street, Despits, John. 54 Expression of the Street, Despits, John. 55 Expression of the Street, Despits, John. 55 Expression of the Street, Despits, John. 56 Expression of the Street, Despits, Despits, Despits, Despits, Despits, Despits, Despits, Despits, |
| Nedgra American 100.2 107.4 40.3 107.6 107.5 107 | Desire Provided | Commodity Trees |
| Hospi Rong 171.1 | Yes Conv Bord Fit | Taisean (R.O.C.) Fund on Vickers on Coora Ltd, King William St, London Provincial Trest (formerly Checkerters) 01-6272909 30 Ashley Rd, Abriceton, Checker 61-928-9011 Choose Act. 12-25 9-34 34-14 Min |
| | Charterhouse Japact Pip Sn. 22, popular to of Man. Mont 2911 Inc. Trust 18.0 19.2 Inc. Trust 18.0 19.2 Inc. Trust 18.0 Inc | 32-33 St. James's Pt. London SWIA INR. 01-993 8111 28 Western Rd, Kommine KMI Julis. 17/18 86796 12-96 Daily |
| Cold Treat | Control Assets Correctly Frank Ltd. +0.02 12.44 | Takyo Pacific Holdings NV Intimis Management Co NV, Cardono. HAV per stare \$124.89. Takyo Pacific Hidgs. (Seaboard) NV Takyo Pacific Hidgs. (Seaboard) NV |
| International | 10,000 1 | Tyndall Managers 2 New St. St Netter, Jersey. 1073 222.1 175 American 224.0 222.1 175 For Eastern 224.0 224.1 225.0 1075. 241.1 241.0 24 |
| TSA Aperican 1992 50-4 -0-3 - 1995 1995 1995 1995 1995 1995 1995 19 | S1.137 | Portidio Sci — Managed (106.7 114.3 Compounded annual rate, Int Cr. Irrequescy interest Profiles Sci — American, 105.1 104.0 Credited. |
| 102 | Continental Life (International) Ltd. 9 Day 73, 5t Netier, Jersey. 6534 7993 and in. Co. 511.5; 12.25 170 Get Bard. 190.4 208.7 + 117 - 1 | Typidall International Assurance Ltd a Offered prices include all expenses. In Today's proces. Typidall International Assurance Ltd Dest 27060 price include all expenses in Today's proces. Privide Dated on other price. It Estimated. If Today's opening price. In Databation free UK Lavas. previous Energy price. Dest 27060 price previous all expenses process. In Today's process. Today's price opening price. In Databation free UK Lavas. previous Energy price. Instruments Dates. Solida 15.00 price of the Computer Solida Privilege Computer Solida Process except agency commission. Y Offered price that Estimated. If Today's process. Today's proces. Typidall International Assurance Ltd. July 1006 price include all expenses. In Today's proces. Today's proces. Typidall International Assurance Ltd. July 1006 price include all expenses. In Today's proces. Typidall International Assurance Ltd. July 1006 price include all expenses. In Today's proces. July 1006 price include all expenses all the Cody's price. July 1006 price include all expenses all expenses price. In Today's proces. July 1006 price include all expenses price. In Today's proces. July 1006 price include all expenses price. In Today's proces. July 1006 price include all expenses price. In Today's price. July 1006 price include all expenses price. In Today's price. July 1006 price include all expenses price. In Today's price. July 1006 price include all expenses price. In Today's price. July 1006 price include all expenses price. In Today's price. July 1006 price in Today's price. July 1006 |
| All furth lane expresses fame. Use arross are Royal Adject tipe. Seet 52, Winston: 681.44 Royal Adject tipe. Seet 52, Winston: 681.44 Royal Adject tipe. Seet 52, Winston: 681.44 Standard Life Assistance Goognapy George S. Elizhbarch EN2 2027. 631.425 2552 B. Anny. Further. 671.6 222.7 | Cortexa International PO Box 414, St Heier, Jersey. 0534 74248 Lewis & Peat, Clarke (Guernsey) 1.5 | Us Courty 201.6 314.4 bodies. © Yield Column Steps amugilised rates of NAV 0.5 1400 1500 crosses Equity 117.0 1500 crosses Equity 117.0 1500 crosses Equity 117.0 1500 crosses Equity 117.0 1500 crosses 117.0 15 |
| Function of Control of | Erestit Seisse Erestit Seisse Ver Act | Da 5 5 455 5 (*2) - Industrials B assessment log [|
| Person Carl 1840 +0.3 Actinomis investment Fund SA San Alliance insurance firesp San Alliance insurance firesp Onto 64141 Actinomis inv 1822.18 | Investment Inv | Do. 5 |
| Adjustic | MAV_left 15 | COMIT UNIDA |
| Second Fields | Bestscher Investment-Triest Spring | M. G. Tyrrell & Co. Lts. 1212 Property 12 12 12 12 12 12 12 1 |
| Sain Life of Channels (UN) Ltd. 2, 3, 4, Excisus S. | Windows Control Limited MAV large 35 510.44, 6 Field. Col. 25 10.25 - Approximate Lay 10. 53.23 144 Based Woodstock (Sermings) Limited MAV large 30 510.44, 6 Field. Col. 25 10.25 10.25 - Cold 51 July 10. 53.23 144 1.52 POB 1179, Hamilton, Bernards Westback Financial Limited MAV large 30 510.55 Finand Col. 25 20 22 May 10. 557.45 1.78 1.52 POB 1179, Hamilton, Bernards 809 295 224 Westback Financial Limited MAV large 31 510.54 College 22 22 May 10. 557.45 1.78 1.52 POB 1179, Hamilton, Bernards 809 295 224 Westback Financial Limited MAV large 31 510.55 Section Col. 25 22 May 10. 557.45 1.78 1.52 POB 1179, Hamilton, Bernards 809 295 224 Westback Financial Limited MAV large 31 510.55 Section Col. 25 22 May 10. 557.45 1.78 1.52 POB 1179, Hamilton, Bernards 809 295 224 Westback Financial Limited MAV large 31 510.55 Section Col. 25 22 May 10. 557.45 1.78 1.52 POB 1179, Hamilton, Bernards 809 295 224 Westback Financial Limited MAV large 31 510.55 Section Col. 25 22 May 10. 557.45 1.78 1.52 POB 1179, Hamilton, Bernards 809 295 224 POB 1179, Hamilton, Bernards 809 295 295 295 295 295 295 295 295 295 29 | Union-Investment-Geselischaft GembH Grand Met. 55 60 |
| Property Fd. Accom | Comparison State | Design Price (2015/7) 100 |
| President Phone Pers. Pers. Access SAL 2 Sac 0 Afficie Buenter International Fund Migrs. Pers. Pers. Access Sal 0 Afficie Buenter International Fund Migrs. Pers. Europe (7 Acc. 76.5 103.9 Adv. 103.9 | 6 Are Lingt George, 1050 Brussetts. 1029-01 2830 2130, Upmanipm Center, room 9 9 rock at sits 5 feet dealing ship 12. 5 fixering | · A selection of Cations traded is given on the |

COMMODITIES AND AGRICULTURE

Aluminium demand expected to rise

By Our Commodities Staff PRIMARY ALUMINIUM consumption in Europe and North America is likely to improve moderately in the second half of this year, but will still be slightly below volume in the equivalent period of 1984,

LONDON METAL EXCHANGE WAREHOUSE STOCKS (Changes during week ended

| | july 12/ (tonn | ~~\ |
|-----------|-------------------|--------|
| | | |
| Aluminium | +2,650 to | 125,55 |
| Соррег | +4,525 to | 120,12 |
| Lead | -225 to | 35,17 |
| Nickel | +150 to | 5.68 |
| Tin | +685 to | 23,25 |
| Zinc | -825 to | 34,07 |
| | (ounces) |) |
| Silver | +136,000 to 50 | 262,00 |

according to the latest projec-tion by analysts Chase Econo-

It points out that production cutbacks have not yet brought about the supply deficit which producers are hoping will even-tually drive up prices. "An improved market balance, and higher aluminium prices, thus depend upon a recovery in de-mand," it says.

Firmer tone at London tea auction

By Our Commodities Staff

DEMAND for tea was somewhat stronger and more general at yesterday's weekly London auction, Fewer teas remained unsold than at recent sales, according to the Tea Brokers'

Association.

There was again no price quoted for quality grade tea and medium grade was unchanged at 135p a kilo. But low medium grade gained 5p from last week's level at 107p a kilo.

The total offering amounted

to 33,295 packages, including 5,378 packages in the offshore section.
Coloury medium grade teas gained 5-10p a kilo

Malaysia unruffled over U.S. tin sales policy

He pointed out the GSA had

already sold 2,220 tonnes of rin between January and July 12

Lumpur Commodities Exchange (RLCE), the minister said this

would take some time, and would probably not take place

until the end of the year.

"First, we have to push through the structural and legal reforms to revive the KLCE,

and we must also get the approval from the International

Tin Council," he added.
Nancy Dunne writes from
Washington: Congress has
ordered the administration to

direct the proceeds from all stockpile sales and 30 per cent

of the proceeds of sales from the U.S. naval reserve into the

this year.

field approval to a U.S. policy change affecting its strategic stockpile of tin and sales of surplus tin by the General Services Administration (GSA).

Datuk Paul Leong, Malaysia's primary industries. primary industries minister, who met Mr Allen Wallis, the U.S. under - secretary for economic affairs, in Kuala Lumpur over the weekend, said Malaysia was "not unduly worried about the change as long as GSA sales do not disrupt the already depressed market"

Under the new policy, the U.S. administration has decided that 150,000 tonnes of tin from the existing GSA stockpile of 186,430 tonnes would be placed in the supplementary reserve

in the supplementary reserve of strategic and critical materials, leaving 36,430 tonnes available for sale.

Mr Wallis told the minister that the placing of 150,000 tonnes under the strategic and critical stockylle would help reduce the overthanging effect reduce the overhanging effect of GSA tin on the market, and that the surplus metal would be sold over a period of "at

He also gave an assurance that GSA sales would not disrupt the market, and the Asean (Association of South East Asian Nations) tin producing countries — Malaysia, Indonesia and Thailand — would be consuited if sales exceed the annual

MALAYSIA HAS given quali- 3.000 tonnes agreed under the fund is to be capped at \$250m fied approval to a U.S. policy 1982 U.S.-Asean memorandum Since the administration rdered the stockpile managers "I told Mr Wallis that Malaysia would prefer the U.S. to make no new purchases until the new goals were settled the fund has been building up for months. Officially it has reached

malaysia would prefer the U.S. to stop tin sales because of the depressed market, and emphasised it was vital that the memorandum of understanding on the 3,000 tonnes limit be adhered to," said Datuk Leong. \$220m. However, officials at the Naval reserve have been suspending payments into the fund for the past few months so that it won't exceed the \$250m limit, according to one of the stockpile managers. Otherwise, selling would have to stop immediately.

Meanwhile officials at the New York

Datuk Leong said ministers of the Association of Tin Pro-ducing Countries (ATPC) would discuss the matter at their meeting in Canberra in mid-York Commodity Exchange (Comex) are studying the possibility of introducing tin futures at the request, they claim, of "North American tin On plans to introduce tin futures trading on the Kuala " Several people have

approached us as a result of the problems on the LME (London Metal Exchange), said one official. "They think they are not being properly served."

Mr Paul Schaldonat, president of the American Tin Traders Association, complained to the LME that the market has "not been reflective of supply and demand," and he said American traders may look else-where for hedging envertual. American traders may look elsewhere for hedging opportunities. However, he said, Comex has traded tin in the past and it has not been successful a tin contract would be "a disaster," he said, just as "zinc was a dismal failure."

stockpile transactions fund. The Sulphur shortage forecast to worsen

BY OUR COMMODITIES STAFF

THE INTERNATIONAL sulphur industry is faced with a worsen-ing shortage of supplies, the like of which it has not seen since the immediate post-war period, and the prospect of further steep price increases. sions of a report" on the mineral prepared by the London-based consultancy British Sulphur Corporation and the Dallas-based oil analysts Purvin and

production by an average of 3m tonnes a year until the end of the century, and that producer stocks - which have cushioned the industry so far from the deficit — will be eliminated altogether by 1990.

Stocks are estimated to have been reduced already from 20m tonnes to 10m since 1980. As a result, prices have been on a steadily rising trend — increasing by about 50 per cent since 1980.

It forecasts that demand for According to British Sulphur, sulphur will continue to exceed the problem reaches back to the

late 1960s, when tightening environmental legislation in some industrialised countries stimulated a rise in production

of sulphur as a by-product from the oil and gas industries. This progressively drove traditional primary sulphur producers out of business and choked off investment in exploration for new sources. Sulphur towards 2000; \$11,000 from British Sulphur Corp., Parnell House, 25 Wilton Road,

UK urges full backing for ban on whaling

BRITAIN APPEALED yester-day to Japan, Norway and the Soviet Union to withdraw their objections to a moratorium on commercial whaling which is due to come into force later this

Opening the 37th annual meeting of the International Whaling Commission in Bournemouth, Mr John MacGregor, Britain's minister of state for agriculture and fisheries, said:

"We regard the moratorium or commercial whaling as on commercial whaling as absolutely vital in view of the doubts and uncertainties which exist about the status of whale populations and the past record

of management failure." The ban on commercial whaling, due to begin with the 1985-86 whaling season which starts this winter, was agreed by a majority of IWC members in 1982 in order to allow severely-depleted whale stocks to replenish themselves. It will last at least puril 1990 when a last at least until 1990, when a review of stocks is due to take

However, Japan—the largest whaling nation—the Soviet Union and Norway have main-tained formal objections to the moratorium, leaving them technically free to continue whaling. Mr MacGregor did not men-tion these countries by name. But he said: "I am only sorry that the moratorium is not

coming into effect with the unanimous support of all members of the Commission. "I do hope that those countries which have maintained objections to the decision will now be able to withdraw them

as soon as possibel and rally to the majority view." The IWC meeting is also faced with growing concern faced with growing concern among environmentalists about a request by two other key whaling nations, Iceland and South Korea, to be allowed to catch up to 400 whales a year for what they describe as scientific purposes. Conservation groups believe this is merely a front for continued commercial whaling. Farmer's viewpoint: by John Cherrington

Bringing science to the aid of Africa's hungry

LAST WEEK'S announcement similar research into crops suit-that Mr Norman Borlaug is to able for an African environ-head a team looking for ways ment should not be equally to spread the "green revolu-tion" techniques to Africa in an successful. tion" techniques to Africa in an attempt to help solve the continent's food problems is most welcome. The project, to be funded by a Japanese philanthropist, emerged from a three-day workshop in Geneva on the alleviation of poverty and starvation in Africa, organised by the Centre for Applied Studies in International Negotiations. which most people are forced to live.

the Centre for Applied statues in International Negotiations.

I had the privelege of meeting Mr Borlaug in Mexico several times while he was developing the techniques of wheat growing that won him the Nobel peace prize.

I found him to be a most practical scientist with a keen appreciation of the difficulties of getting his ideas put into practice in the different countries which sought his help in increasing food supplies.

The green revolution was no miracle cure, either with the wheats or the new rice varieties developed by the Rockefeller Foundation for which Mr Borlaug worked. He was sent to Mexico to find the best way of increasing wheat yields within the limits of existing resources of fertiliser, irrigation of mexico developed within the limits of existing resources of fertiliser, irrigation and marging and margines available in

within the limits of existing resources of fertiliser, irrigation and varieties available in the subtropical belt.

The main requirement for increasing yield and protein in wheat is the amount of nitrogenous fertiliser which the plant can absorb. In the case of the subtropical wheats being grown the problem was that extra nitrogen caused the straw extra nitrogen caused the straw to collapse and very frequently the result was to reduce the expected yield. Mr Borlang selected the wheats he used from existing strains of dwarf wheat with stronger straws and so increased yelds of harvested grain dramatically. The so-called Mexican wheats which he developed have been success fully used in many parts of the world, notably India and Pakistan. India this year is Pakistan. India this year is actually selling wheat on the

There successful. There is no shortage of scientific or prac-tical knowledge of agriculture world wide. The main reason it has not been put into practice has been the combined inefficiency of governments and the economic systems under

The green revolution has its critics. They seem largely to concentrate on the fact that the processes need the back up of modern industry to manufacture the fertiliser and this facture the fertiliser and this forces the peasants into a modern money economy. But this from my observations

In the late 1960s the 'green revolution' transformed the agriculture of a

large part of Asia. Now Mr Norman Borlaug, its chief architect, is turning his attention to Africa's even more pressing needs

around the world is exactly what the peasants desire to do. I am not one of those who believe that village life in India, Africa or any other developing area is in any way idea. One can see all to easily the effects on health, both human and animal, of malnutrition.

This of course is coursed by This, of course, is caused by inadequate crop yields, inevit-

from scourges such as smallpox why and malaria. One way would

CRUDE OIL (LIGHT) 42,000 U.S. gallons. S/burrals

GOLD 100 troy oz, \$/troy oz

HEATING OIL 42,000 U.S. galions,

able in subsistence farming-and over population. The application of modern methods of disease control has undoubtedly saved millions of lives. It is unfortunate. however, that similar progress has not been made on feeding those rescued

be to provide the modern tech-niques which would enable them to provide themselves with the basic foods.

with the basic foods.

The Chinese seem to me to have the right ideas on food production. They are, I believe, inherently good farmers. They know how to grow things and they make use of all the resources available, including introgen fertilser. By every coal mine or open cast site there is a nitrogen fixation plant, and by doube or treble cropping and the application of modern techniques they claim to feed 11 people for every hectare of arable land.

I fear, however, that Mr Borlang's task will be far more complex than simply to increase

Borlang's task will be far more complex than simply to increase food production. There is enough knowledge to provide almost every country in the world with sufficient food for its own populations within the eight years which he claims to be sufficient in which to make

The difficulty is to persuade the governments of the problem countries to use their resources more wisely so that they can at least grow and distribute all their basic food needs. How this is to be done in the chaotic political environment of many of these emergent states in of these emergent states is a matter which even Mr Borlaug could find a daunting problem. But I do know from when I spoke to him last that he is well aware of the difficulties and is not the man to keep quiet about

Babcock buys control of boiler plant

BABCOCK Power has paid £7m for control of the Robey boiler-making plant of Lincoln, previously controlled by Firsteel, part of the Lourho group.

Robey, which employs 235, will strengthen Babcock's position in the market for small intion in the market for small in-dustrial boilers, complementing the sales of its larger package boiler operation run by Babcock Power from Birmingham, Robey will be called Babcock Robey.

CHICAGO

LIVE CATTLE 40,000 lb, cents/8

Close High 49.10 49.55 48.80 47.20 42.27 42.70 44.12 44.80 45.10 43.50 45.70 45.80 45.20 48.90 45.15 46.15

August 55.60 56.35 Oct 57.32 58.20 Dec 59.47 60.45 Feb 60.47 61.47 April 61.50 61.50 June 62.00 63.00 LIVE HOGS 30.000 (b, cen

Close 273.6 251.6 244.6 253.0 257.4 256.6 241.2 July 273.6 273.0 273.0 273.0 273.0 273.0 273.0 273.0 273.0 281.4 Dec 244.6 247.0 244.4 March 273.0 255.4 253.0 May 257.4 259.0 257.2 July 256.6 256.6 256.6 Sept 241.2 246.4 340.0 PORK BELLIES 38,000 lb, cents/lb

LONDON MARKETS

COFFRE PRICES continued their sharp decline on the London futures market yesterday. After opening London futures market yesterday. After opening weak, reflecting the limit-down movement in New York on Friday night, further losses were registered in the market as sterling strength-ened. The September delivery motation slipped to £1,608 a tonne at one stage before rallying on the back of smaller-than-expected opening losses in New York to end the day 622 down at 21 242 the day £28 down at £1,643 a recovery was also influenced by talk of frost in the Brazilian coffee belt later in have given no indication of this possibility,

weak with the futures position hitting the lowest level since

LME prices supplied by Amalgamated Metal Trading ALUMINIUM

| close(p.m.) — £ per tonne | | | | |
|--|----------------|---------------------|-----------|--|
| Cash 3 months | 724.5 746.7 | i + 1,0 : + 1,75 | 758:754 | |
| Official (724.5-5.5), settlement close: 749-5 | three mo | ntha 744- 5.5). | inel Kerb | |
| COPP | ER | | | |

Unofficial + or 'High/low

Cash 1938-40 -7 1936-1934 Three m'nths 1947.5-8 |-5 | 1952-1941 Official closing (am): Cash 1010-1 (1020-2), three months 1025-7 (1036-8), settlement 1011 (1022), Turnover: 30,350 tones. U.S. producer prices 55 00-69.00 cents per pound.

Athodes Jash 1010-2 —8.0 1811/1817 Three minths 1028-30.—6,0 1029,1028 Official closing (am): Cash 1036-5 (1049-50), three months 1045-5 (1055-5), settlement 1036.5 (1050). Final Kerb close: 1051-5. LEAD

| | close(p.m.) | <u> </u> | High:Low |
|---|--|---------------------------------|------------------------------------|
| Cash 3 months | 284.5 288.5 9 | 1-3.0 -2.75 | 288-288 292-289 |
| (2895), ti settlement close: 268. | closing (an hree months 288.25 (28) 5-9. Turno 18.00-21.00 | 291.5-2 3.5). F ver: 3,70 | (2935), inal Kerb 10 tonnes. |
| NICKI | EL | | |
| | | | |

| | Inofficial + or slose(p.m.) - per tonne | High/ low |
|----------------------------|--|--------------------------|
| Cash 3 months | 3585-90; —22.5 3645-50 —10.0 | 8576/8576 3876-8626 |
| (3615-20), 75), settlet | closing (am): C three months 36 ment 3578 (3629). 60. Turnover: 4,6 | 6-8 (3685- Final Kerb |
| ZINC | | |

| | Unoffici close:p.n ± per | Q.1 | High: low |
|--|--------------------------------|---------------------|------------|
| Cash 5 months | 514 6 508-9 | +1.5 | 618/499 |
| Official (518-9), th settlement 509-10. T | 100 month 513 (511) | s 604.15 Final R | orb close: |

MAIN PRICE CHANGES

£1100 £1039.5 — 7 £1127.5 £1047.75 — 5 £1189.25 ... \$316.5 :+0.25 \$319.25 ... £294.5 — 3 £305 ... £288.75 + \$.25 £303.5 Copra Phil Soyabean Gold troy ez.... Lead Cash 5 mths.....

| | | | |
|---|--|-----------------------------|---|
| TIN | | | |
| High grade | Unofficial close(p.m). £ per to | . — | High/:low for day |
| Cash 3 months | 9085-90 9083-5 | +25 +22 | Ξ |
| (9100-10), settlement close; 9080 | closing (an three month 9055 (9116) 5. Turnov MS30.65 (3 | s 9060- 0). i ør: 1,7 | 1 (9060-1). final Kerb 60 tonnas. |

GOLD AND PLATINUM COINS

-Turnover: 90 (10) lots of

July 15 + or Monti 1985 - ago

| TIN | G |
|--|----------|
| ilgh grade Unofficial + or High/:low close(p.m) for day £ per tonns | ai Ei |
| ash 9085-90 +25 — imonths 9083-5 +22 — | GI GI |
| Official closing (am): Cash 9050-5 (9100-10), three months 9060-1 (9060-1), settlement 9065 (9110). Final Kerb | w |
| tiose; 9080-5. Turnover; 1,760 tonnes. Streits tin M\$30.65 (30,62) kilo. | M |
| tendard (| l _ |

9080-5 +22,6 9065/9055 9080-5 +28,0 9050/9052 Official closing (am): Cash 9050-5 (9105-15), three months 9060-5 (9065-70), settlement 9055 (9115).

Gold rose \$4 to \$3164-3164, in quest London bullion trading. The metal opened at \$3164-3174, and was fixed at \$3177-318, but weakened in the afternoon, on a weaker New York market, mainly influenced by currency fluctuations. Gold was fixed at \$315-5 in the afternoon, and fell to a low of \$315-3154.

Salver was fixed 0.25p an curce lower for spot delivery in the London builtion market yesterday at 436,15p. U.S. cent equivalents of the fixing levels were: spot 60c, up 4c; threamonth 619.6c, up 4c; and 12-month 681.6cc, up 4cc, up 4cc

SILVER Builion + or LM.E. + or per fixing price Unoffici

in tonnes unless otherwise stated.

Barley Fut. Nov. |£100.55 + 0.18.293.30 Malze Wheat Fut. Nov. |£100.95 + 0.18.298.30 No. 3 Hard Wint. | 1

| +1.5 £577.5 5 +4 £578.75 \$880/880 | # Unquoted. w Sept. z July c Cents per por | -Aug. † Per 76 1 |
|--|--|------------------|
| + or High/:low | | rose on stead |

| and | but faile drifted to at the ice. | ack in | thin t | |
|----------------------------------|---|-------------------------|---|---|
| WHEA | - | | | RLEY |
| Mnth | Yesterd'y close | + 0 | Yesterdy close | + 07 |
| Sept Nov Jan Mar May | 104.85 108.10 | +0.10 +0.05 +0.10 | 96.90 100.56 104.10 107.20 110.00 | +0.20 +0.15 +0.20 +0.20 +0.26 |

Busines done—Wheat: Sept 97.65-7.55. Nov 101.25-1.00, Jan 105.00-4.90, March 108.25-8.20. May 111.65-1.55. Seles: 88 lots of 100 tonnes. Barley: Sept 97.10-7.00. Nov 100.85-0.55, Jan 104.20 only, March 107.40-7.30. May 110.05 only. Seles: 51 lots of 100 tonnes. 110.05 only. Seles: Q1 liuts V1 looks tonnes.

LONDON GRAINS—Whest: U.S. dark northern spring no 1 15 per cant Aug/
Sept 124.75, Oct 126.75, Nov 130 sellers transhipment east coest. U.S. no 2 soft red winter Aug 113. Sept 115. Oct 118.25, Nov 120.25 sellers. EC July 118 seller. English feed fob July 114.50 sellers east coest. Maize: U.S. no 3 yellow/French trenshipment east coast July/Aug 141 sellers. Barley: English feed fob harvest 96, Sept 98, Oct/Dec 102 sellers east coast. Rest unquoted.

HGCA--Locational ex-farm spot prices. Feed barley: Eastern 97-90, E. Mids 95.10. The UK monetary co-difficent for the week beginning Monday July 22 (based on HGCA calculations using four day's exchange rates) is expected to remain unchanged.

Opening £15 easier, futures held these levels through much of the day but lost ground toward the close and ended at the lows. Producers were not withing to follow the market lower and remained withdrawn but scale-down consumer officks was noted, reports Gell and Duffus. Seles: 3,400 (4,189) lots of 10

INDICES FINANCIAL TIMES

July 12 July 11 M'th ago Year ago 268.39 269.66 278.29 299.99 (Base: July 1 1952 - 100)

July 15 July 12 Mith ago Year ago 1680,2 1687,7 1778,8 1910,3

(Bese: Saptember 18 1931 = 100) DOW JONES 11 ago

dull. reports Lewis and Peat. Closing prices (buyers): spot 65.00p (same); Aug 61.00p (same); Sept 61.00p (same). The Kusle Lumpur fob price for RRS No 1 was 182.0 (same) cents a kg for SMR 20 was 181.5 (same).

SUGAR

LONDON DAILY PRICE—Raw suga 84.50 (£81.00), down \$2.00 (down 7.50) a tonne for July-Aug-Sept de wery. White suger \$130.50, down 3.00.

89.8 89.2 87.2-87.8 88.4-89.0 80.5 90.8 90.4-90.1 9 10.48.8 85.6-93.4 92.9 82.5 93.0-88.8 93.6-93.4 92.9 82.5 93.5-90.9 102.2-102.4 102.0-102.2 102.6-103.6 103.6 103.6 Sales: 788 (1,043) lots of 50 tonnea.
Tatel and Lyle delivery price for granulated basis sugar was £183.00 (1764.00) a tonne for export.
International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices for July 12: daily price 2.80 (1.79); 15-day average 2.74 (2.73).

SOYABEAN MEAL

COTTON

cial whaling.

OIL

In thin trading Brent weakened 15-20c but the premium for early cargoes widened to 50-60c. Nymex opened it down for August but traded 10c up at 1 pm EST. The petroleum products market was generally quiet ahead of next Monday's Opec meeting and there were only small changes in price. Neavy fuel and gasoline were stable. Naptha firmed on demand from refiners while gas/oil fell due to good supplies—Petroleum Argus, London.

Petroleum Argus estimate

216.75 —0.80 217.80-16.25 216.75 —0.76 218.60-16.80 217.25 —0.75 217.50 17.80 218.50 —1.00 — 220.25 —0.50 — 220.25 —0.56 —

415 (332) lots of 100

A drop in the PMB direct intervention system trigger price and a persistent, though unfounded, rumour that the Board was about to withdraw its buying support from the physical market led to a sharp drop in futures prices during the morning. The April support level of £76.00 was tested during early trade and held up until selling pressure towards close pushed the market to new contract lows, report Coley and Harper.

£ per tonne 56.90 | 59.00 64.90 | 67.30 75.00 | 77.70 81.00 | 83.80

53 (22) lots of 50 carceses ROTTERDAM

PRECIOUS METALS were

vorld market. There is no reason

U.S. MARKETS

mixed with the uncertain direction of interest rates and a stable dollar limiting speculative interest, reports Heinold Commodities. Copper firmed as late, fresh trade buying emerged. Sugar steadied reflecting a lack of fundamentals developments. Cocoa moved higher reflecting arbitrage activity. Coffee continued weak on burdensome stocks in producing countries. Cotton lost ground in sympathy with the grain complex. Heating oil

NEW YORK High 46.40 46.35 Prev 44.90 45.10 45.40 46.85 47.30 48.00 48.70 49.40 50.80 July August Sept Dec Jan March May July Sept Jan

Squaring-up of positions in spo-ugust set the tone for a slightly saler market, reports CCST Com-Aug. 104,20 | 105,00 | 104,00 | 0cf 106,80 | 107,10 | 106,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 108,50 | 10

the weekend was considered sufficient to stem the deterioration

COFFEE "C" 37,000 fb, cents/lb Low 132,40 134,57 135,90 135,00 136,55 138,00 Prev 134,00 137,07 137,83 137,43 137,50 138,08 138,75 137,05 COPPER 25,000 lb, cents/lb

Close 60.35 60.45 60.96 62.05 62.40 63.05 63.60 64.10 64.60 65.30 COTTON 50,000 lb, cents/ib

MEAT

OTHER MARKETS

WOOL FUTURES MEAT COMMISSION—Average fat-stock prices at representative markets. GB—Cattle 96.39p per kg lw (-0.38). GB—Sheep 152.89p per kg est dcw

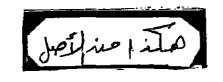
Close 672.1 614.3 618.5 630.5 634.8 643.0 651.7 661.2 671.3 686.5

SUGAR WORLD "11" 112,000 lb, cents/lb

High 615.0 607.0 623.5 836.6 ---645.0 652.0 662.0 866.0 681.0

SUGAR—(FFr per tonne): Aug 1162-1165. Oct 1130-1133. Dec 1130-1140, Mar 1138-1143, May 1181-1183. Aug 1210-1220. COCOA—(FFr per 100 kg): Jul 2120 ask. Sen 2014-2019. Dec 2000-2004.

Close 56.37 55.92 65.70 65.45 66.25 66.60 65.30 High 572.4 572.4 574.0 580.4 581.0 601.4 610.0 613.0 609.0 Prev 578.6 577.6 582.0 588.0 617.0 617.0 617.0 ORANGE JUICE 15,000 lb, cents/lb Low 130.8 131.5 134.5 136.5 142.5 145.4 149.5 154.5 Close 28.09 27.09 26.55 25.25 25.18 25.75 24.52 SILVER 5,000 troy oz, cents/troy oz July 28.09 28.34
August 27.09 27.22
Sept 26.55 26.65
Oct 26.55 28.19
Dec 25.95 25.65
Jan 25.25 25.44
March 25.18 25.21
July 24.75 24.80
WHEAT 5.000 bu min.
cents/80-lb bushel July 306.6 319.0 205.6 Sept 312.0 215.2 319.6 Dec 319.0 323.0 318.0 March 318.0 322.2 317.2 May 306.0 311.0 305.4 July 27.4 295.4 295.2 SPOT PRICES—Chicago loose 16.00 (same) cents per pound. York tin 578.0-80.0 (578.0-81.0) per pound. Hendy and Herman buillon 607.0 (605.5) cents per ounce. SYDNEY GREASY WOOL-Close (In nature bearen physical news caused 1985 positions to ease but the 1985 values held up well and attracted abort-covering and new activity, notebly in April 1988. The Baltic Freight Index was down 9 points at 775.0. reports Clarkson Wolff, Turnover: 219 (1986).



124.0 against 120.1 six months

in nervous conditions ahead of Thursday's U.S. GNP announce-ment. The Bundesbank did not

intervene when the dollar was fixed at DM 2.8790 in Frankfurt.

compared with DM 2,9023 on Friday. There is little expectation of a cut in key interest rates at this week's Bundesbank council meeting.

STERLING INDEX

10.00 am 11.00 am

£ IN NEW YORK

D-mark was gaining

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

FINANCIAL FUTURES

Economic fears haunt dollar

and also declined to FFr 8.7475 from FFr 8.78; SwFr 2.3920 from SwFr 2.3995; and Y237.65 from

On Bank of England figures

the dollar's index fell to 1384 from 138.9.

STERLING — Trading range against the dollar in 1985 is 1.3885 to 1.6525. June average 1.2813. Exchange rate index fell 0.2 to 83.2. It opened at 82.7, the lowest level of the day, and improved steadily to a peak of 83.4 at 1 pm, before losing a little ground after lunch.

Sterling was fairly quiet, and weaker on the day on its ex-change rate index for the most

part. There was little movement overall however, but the pound

It was not all one way traffic for the dollar yesterday. At times the U.S. currency showed signs of improvement, but the general mood of the foreign exchanges continued to keep the dollar on the retreet. Concern over President Reagan's health was a slight factor, but it was mainly economic fears that onsked the economic fears that pushed the dollar lower. Mr Paul Volcker, chairman of the Federal Reserve Board, gives test mony before Congress tomorrow, and herore congress tomorrow, and there have been suggestions recently this could be accompanied by a cut in the U.S. discount rate. On Thursday a revised U.S. gross national product figure for the second quarter will be published, and is expected to be revised down from last month's fash estimate of 3.1 per cent growth.

of 3.1 per cent growth. Supporting the view about lower interest rates and a weaker economy; were the injection of \$25m liquidity into the New York banking system by the Fed, when Federal funds well trading at 7% per cent, and the fall of 0.4 per cent in May U.S. business inventiries, after a revised rise of 0.2 per cent in April.

The dollar fell to its lowest since last August at DM 2.8770, compared with DM 2.89 Friday,

gener point

boiler plan

€460

1. A 52 Ct

نَّةِ بَسِ، بِـ

No.

One month

0.56-0.55c pm
0.56-0.55c pm
21-22-c pm
22-23c pm
22-23c pm
22-23c pm
22-23c pm
22-23c pm
23-23c dis
35-65c dis
36-65c dis
36-65c dis
36-65c dis
36-65c dis
37-13y pm
157-134-gro pm
23-2-c pm
23-2-c pm

EMS EUROPEAN CURRENCY UNIT RATES 44 9008 8.14104 2.24184 6.87456 2.62595 0.72569 1403.49 ±1.5471 ±1.6419 ±1.1475 ±1.3689 ±1.2771 ±1.6673 ±4.0410

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times POUND SPOT-FORWARD AGAINST POUND

managed to finish at the highest level against the dollar since June last year. It rose to \$1.3880-1.2890 from \$1.3855-1.3865. The

cut of 1 per cent to 12 per cent in clearing bank base rates was, well discounted and had little

impact. London interest rates remain comfortably above those of

main comfortably above those or most other major centres, and sterling was also supported by a rise of 1.3 per cent in UK June retail sales to a record level. The pound was unchanged at DM 4.00 and FFr 12.1450, but eased to SwFr 3.32 from SwFr 3.3250 and V330.5 from 0.333.50

D-MARK — Trading range against the dollar in 1985 is

3.4510 to 2.8770. June average

3.0639. Exchange rate index

Y330.25 from Q333.50.

DOLLAR SPOT-FORWARD AGAINST DOLLAR

OTHER CURRENCIES 27,90-28,20 80,35-81,15 14,28-14,48 12,06-12,18 5,971₂-4,011₂ 2550 2606 330-335 4,47-4,52 11,51-11,63 225-236

Belgian rate is for convertible francs. Financial franc 80.95-81.10. Six-month forward dollar 2.49-2.44c pm. 12-month 3.85-3.70c pm.

EXCHANGE CROSS RATES

CURRENCY MOVEMENTS CURRENCY RATES 7-10 0.756875 1.02575 1.02575 1.02575 1.02575 1.02575 1.02577 7 10.6491 2.95308 512 2.95308 1512 1910.517 1014 8.52895 4 2.45532 2012 182.842 1834 N.A. 83.8 138.4 87.1 114.5 90.4 78.9 124.0 114.4 66.5 45.3 167.9 -6.7 +24.8 -6.6 +3.9 -10.7 -5.5 +7.8 +9.5 +3.6 -18.0 +14.3 Morgan Guaranty changes: average 1980-1982 = 190. Bank of England Index (base average 1975=100).

80.50 57,85 1 128 13,63 0,468 5.670 20,13 243,8 871.9 99.47 10. 3,658 2,754 5.707 1,356 2132. 780,0 66,28 24,25 1. 1.739 17.88 31,09 42,99 100,

EURO-CURRENCY INTEREST RATES (Market closing rates)

4,204

1,143 0,418

0,308 0,536

0.742 1.725

0,823

| July 15 | Sterling | U.S. Dollar | Canadian Dollar | Dutch Guilder | Swiss Franc | D-mark | French Franc | Italian Lira | Beigla: Conv. | Franc Fin. | Yen | Danish Krone |
|--|--|--|---|--|--|---|---|--|--|--|--|--|
| Short-term 7 days' notice Month Three months Six months One year | 12% 125g 12% 121g 12% 12% 11% 12% 11% 11% 11% 11% | 758-744 744-715 746-716 716-718 8 816 656 814 | 915 914 914 919 918 938 914 9 914 9 | 614-618 614-618 615-618 615-618 | 156-156 136-168 476-5 5 -516 5-16-516 5-516 | 5 16 5 16 5 16 5 16 5 16 5 16 5 18 5 14 5 18 5 16 | 934-978 934-978 948-1048 1046-1078 1049-1012 11-1114 | 1154-1254 1214-1314 1279 1356 1356-1354 14-1456 1436-1478 | 81g-83g 81g 83g 85g-87g 85g-91g 87g-91g 91g-91g | 814-812 812-834 859-878 818-918 9-914 9-18-9-18 | 618-618-618-618-618-618-618-618-618-618- | 91g-95g 91g-95g 91g-95g 91g-95g 91g-95g 91g-91g 91g-10 |

Asian \$ (closing rates in Singapora): Short-term P_4 - P_2 per cent; seven days P_4 - P_3 per cent; one month P_4 - P_3 per cent; three months P_4 - P_3 per cent; three years 9^1_2 - 10^1_3 per cent; three years 9^1_3 - 10^1_3 per cent; three years 9^1_3 - 10^1_3 per cent; nominal, Short-term rates are call for U.S. dollars and Japanese yen; others two days notice,

Paris

97_E

Zurich : Amst'dam

Market Seposits

12-121g

116g 111g

614-638 611-618

5-51₈

121₂-125₈ 121₂ 121₄ 121₈

MONEY MARKETS

Little reaction to base rate cut

July 16

LONDON MONEY RATES

5,294

0,888

UK interest rates were a little banks brought forward balances cent and £11m in band 3 (34-63 easier yesterday as sterling recovered from a weaker start. A cut to 12 per cent in UK clearpartly offset by Exchequer transactions adding £80m and a fall in the note circulation of £345m.

To help alleviate the shortage the Bank offered an early round of assistance which totalled £42m and comprised purchases of £31m of eligible bank bills in band 1 (up to 14 £31m of eligible bank bills in band 2 (15-33 days) at 11½ per cent and £31m in band 2 at 11½ per cent. The forecast was later revised to a shortage of £300m before taking in the afternoon came to £114m and comprised purchases of £31m of eligible bank bills in band 1 at 11½ per cent, £54m in band 2 at 11½ per cent and £51m in band 3 at 11½ per cent. The Bank also provided late assistance of £45m, making a total of £664m. A cut to 12 per cent in UK clearing bank base rates had already been well discounted and the announcement had little impact. However the longer end of the market appeared to show some appetite for a further reduction although the authorities and their attitude towards accommodating short-term liquidity needs tended to suggest a more cautious approach. Three-month MONEY RATES

UK clearing banks base lending rate 12 per cent since July 11-16 interbank money eased to 11]-12
per cent from 1116-127; per
cent while three-month eligible
bank bills were bid at 11; per
cent, unchanged from Friday.
Overnight interbank money traded between 12; per cent and 13; per cent.

The Bank of England forecast a shortage of around £750m with a shortage of around 2.50m with factors affecting the market in-cluding maturing assistance and a take-up of Preasury bills to-gether draining £810m. There was also the unwinding of £221m of bills through previous sale and repurchase agreements and

FT LONDON INTERBANK FIXING

(11.00 a.m. July 15) 3 months U.S. dellars ' 6 moathe U.S. dollars The lixing rates are the arthmatic means, rounded to the nearest dissisteenth, of the bid and offered rates for SIOm quied by the market to five retarence banks at 11 a.m. cach working day. The banks are National Westminster Bank. Bank of Tokyl. Deutsche Beak, Banque Nationale de Paris and Morgan Guaranty Trust.

Local Auth. Local negotiable Authority bonds Deposits One month..... Two months ... Three months... 7분 원급 84F-8¥5

ECGD Fixed Finance IV: Average Rate of Interest period June 5 to July 2 (inclusive): 12.535 per cent. Local authority and intance houses seven days notice, others seven days fixed. Finance Houses Base Rate (published by the Finance Houses Association): 13 per cent from July 1 1985. London and Scottlish Clearing Sank Rates for lending 12 per cent. Bank Deposit Rates for sums at seven days notice 6,25-6.525 per cent (net). Treasury Bitts: Average tender rate of discount 17.597 per cent. Certificates of Tax Deposits (Series 6): Deposits £100,000 and ever held under one month 12½ per cent; one-three months 12 per cent; three-six months 11½ per cent; see-12 months 11½ per cent. Under £10,000 11 per cent from July 15. Deposits held under Saries 5 11½ per cent. The rate for all deposits withdrawn for cash 8 per cent.

MONEY RATES NEW YORK (Lunchtime)
 Prime rate
 91

 Broker loan rate
 8%

 Fed funds
 7"

 Fed funds at intervention
 7"

17:5 11%-11% 11% 11%

The shortage was revised once

Tokyo | Milan | Brussels | Dublin

817-914 8-914

144-1468

6.35875 | 1412-1478 | 6.28125 | 1334-1414 |

Discount Houses Deposit and Bill Rates

114 114 114

6,34376

Treasury (Suy)

11質 11元 11音

Treasury Bonds Two year

Firmer trend

short-term liquidity levels prompted renewed demand in the afternoon. Consequently values finished towards their

values finished towards their best levels of the day. Much now depends on Wednesday's testimony given by Mr Paul Volcker, chairman of the Federal Reserve Board.

Gilts and three-month sterling

deposits were firmer, helped by the pound's continued strength. News of a half-point reduction in base rates had already been discounted. Buying momentum

be little affected by exhaustion of the Government tap and instead of the more usual bout

of profit-taking values were bid firmer, squeezing out a few short positions on the way.

CHICAGO

ground against the dollar at the Frankfurt close, but finished tower on the day. The dollar rose to DM 2.89 from DM 2.8810, after trading within a range of DM 2.8650 to DM 2.90 in nervous conditions about of Prices were mostly firmer in the London International Finan-cial Futures Exchange yesterday. Sterling-based instruments were helped by the pound's strong performance, while Euro-dollars and U.S. bonds responded to hopes of further cuts in U.S. interest rates. Trading was split into two fairly distinct phases. After a quiet morning, values were pushed up in the afternoon on renewed buying from the U.S. II.S. boads, and Euro-dollars. U.S. bonds and Euro-dollars were checked initially as the market digested the minutes of May's FOMC meeting which showed no real change in the Fed's posture. However, a lower Federal funds rate and the authorities' accommodative stance towards maintaining

THREE-MONTH EURODOLLAR

Sim points of 1001.

Close High Low Prev
Sept 91.96 91.96 91.85 91.83

Dec 91.53 91.53 91.44 91.39

March 91.70 91.08 91.02 90.96

June 90.72 70.70 90.64 90.57

Sept 90.39 — 90.24

Estimeted volume 4,698 (9,174)

Previous day's open int 19,575 (19,256) July 15 Prev. close

|\$1,3860-1,5970 \$1,5890-1,5805 |0,53-0,50 pm |0,52-0,50 pm | |1,45-1,40pm |1,40-1,38 pm | |4,00-3,90pm |3,80-3,70 pm Sept 88.58 88.63 88.48 88.50
Dec 89.27 89.30 89.21 89.17
March 89.43 89.42 89.38 89.38
June 89.40 89.45 89.45 89.39
Sept 89.39 — 89.40
Estimated volume 1,613 (1,730)
Previous day's open int 6,230 (8,234)

JAPANESE YEN Y12.5m \$ per Y100

Close High Low Prev 0.3483 0.3494 0.3470 0.3479 0.3511 — 0.3507 Close High Low Prev Sept 0.4203 0.4205 0.4197 0.4160 Estimated volume 4 (5) Previous day's open int 465 (466) Close High Low Prev 124.80 124.85 123.70 123.60 125.80 — 124.40 Estimated volume 112 (274) Previous day's open int 1,493 (1,524)

The Royal Bank of Scotland

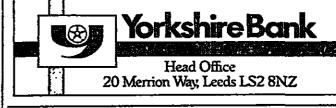
Base Rate

The Royal Bank of Scotland plc announces that with effect from close of business on 16 July 1985 its Base Rate for lending is being decreased from $12\frac{1}{2}$ per cent per annum to 12 per cent per annum

YORKSHIRE **BANK** Base Rate

Yorkshire Bank announces that with effect from close of business on

MONDAY JULY 15, 1985 Base Rate will be reduced from $12\frac{1}{2}\%$ to 12%



| | | JE OI | PTIO | NS RE | PORT | | |
|----------|-----------------------|------------------------------|--------------|----------|------|-------------------------|------------------|
| Quiet | trading co volumes | E25,000 conditions against g | poblery | Steady | | -points of traded in | |
| Est volu | | | s doy's | Est volu | | Previou | |
| Calls | Puts | Calis | nterest P | Calls | Puts | Calls | interest Puts |
| 168 | 171 | 7272 | 3608 | 81 | 145 | 404 | 496 |
| For full | | ettlement pe LIFFE. Roya | | | | | 3 0444. |

WORLD VALUE OF THE POUND

The table below gives the latest available rate of exchange for the pound against various currencies on July 15. 1985. In some cases rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market en calculated from those of foreign currencies to which they are tied.

Abbreviations: (A) approximate rate, no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling-dollar rates; (T) tourist rate; (Bas) basic rate; (bg) buying rate; (Bk) bankers' rates; (cm) commercial rate; (ch) convertible rate; (f) financial rate; (exC) exchange certificate rate; (nc) non commercial rate; (nom) nominal; (o) official rate; (sg) selling rate; (c) controlled rate; (u) unified rate.

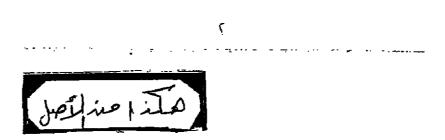
| Afghanistan, Afghani. 99.00 Greenland Danish Kroner 14.3850 Peru. Sc Albania Lek 7.01 Greenland E. Carlibbean \$ 5.76 Philippines Prince Andorra Ispanish Peseta 229.50 Local Franc 1.3885 1.3885 Angola Kwanza 40.8940 Gunea Syll 33.76 Poland 206.15 Antigua E. Carlibbean \$ 1.127(15) Guyanza Peso 206.15 Portugal Portugal Pruerto Rico U. Australia Australian \$ 1.9715 Haiti Gourde 6.96 Puerto Rico U. Australia Portugal'se Escudo 235.0 Honduras Lempira 2.79 Qatar Qatar Qatar 2.79 Abanas Baa Dollar 1.3885 1.3885 1.760 Rounion island Free | hilippine Peso £ Sterling £ Sterling flow Zealand \$ loty ortugueseEscudo .S. 8 atari Ryal | exe(A)16,437,8 24,95 2,8325 206,81 233.0 1,3885 5,0320 |
|---|--|--|
| Andorra | £ Sterling New Zealand \$ loty ortugueseEscudo .S. 8 atari Ryal | 2,8325 206,81 233.0 1,3885 |
| Andorra | ioty ortugueseEscudo .S. 8 atari Ryal | 206,81 233.0 1,3885 |
| Angola | ortugueseEscudo .S. 6 atari Ryal | 233.0 ¹ 1,3885 |
| Australia | .S. 6 atari Ryal | 233.0 ¹ 1,3885 |
| Australia | .S. 6 atari Ryal | 1,3885 |
| Austria | = | 6 0390 |
| Azores | = | |
| Believe Se Deller 1 7008 Fr. Service Island Co. | ench Franc | |
| | | 12,1450 F |
| Bahrain | eu | (N/C) 15,73 |
| Baleario isles | vanda Erono | 133.87 |
| (cm) 80 50 Indonals Publish 1.556.03 ISt Christopher E | | 3.76 |
| Bergium Riai 124,75(s.g.) St. Helena | Helena C | 1.0 |
| Belize B 8 2.79 | Caribbean 5 | 3.76 12.1450 |
| Benin | Caribbean S | 3.76 1,3885 |
| Bhutan Nguitrum 16.70 Israel Shekel 2,063.0 Samoa American U. 2,569.0 Samoa American U. 2,569.0 Samoa American U. | .S. 5 Slian Lien | 1,3865 2,589.5 |
| BOILVIE BOILVIET POSO (U)02,002.39 Norv Const C.F.A. Franc 607.25 See Tome 4 Prin. Do | obra. | 2,559.5 61.83 |
| I KATEWANA FUIA 2. 3790 | audi Rval | 5,0597 |
| Brazil | .F.A. Franc | 607.25 |
| Brunei S 3.0660 Jordan Jordanian Dinar 0,53901 Seychelles | . Rupea | 9.71 (O) 7.50 |
| Burking Faso C.F.A. Franc 607.25 Kampuches St. | ngapore 8 | 3.0660 |
| Burma Kyat 10,9200 Kenya Shilling 22,49 Solomon islands So Burundi Burundi Franc 159,95 Kiribati Australian \$ 1,9715 Somali Republic So | omon 16. 8 Small Shilling | 2.0970 50.97 |
| Burundi Franc 159.95 Kiribati Australian \$ 1.9715 Somali Republic Somali Republic Somali Republic Repu | nnd ' | 2,6510 |
| Cameroon | aseta | 229,50 |
| Canada Canadian 5 1,8725 Canary Islands Spanish Peseta 229.50 Canary Islands Spanis | tsein. | 229,50 |
| Cape Verds Is Cape V. Escudo 124.31 Labanon Lebanese £ 21.87 Sudan Republic Su | . L. Kupee Joian ≟ (u) | 57.85 3.48 |
| Cayman Islands Cay. Is. 5 1.1625 Lesotho | Guilder | 2,4856 |
| | Krona | 3,6510 11,6900 |
| | wiss Franc | 11,6900 3,32 (A) (T) 9.0 |
| 1 CONTINUES CON 4520 (1-1784-17 | /FIAN 2 | (CM) 5.47 |
| Compro Islands C.F.A. Franc 607.25 Macao | ew Talwan S | 55,76 |
| i Corta Dies Colon (1), 20 45 Majoresu Dentihiic MG Franc (109.0 12022012 | an. Shilling . | 23,57 |
| Cuba | aht FA Franc | 37.04 607.95 |
| Czechoslovakia Koruna gic 14.81 Maldive Islands Ruffysa 9.82 Trinidad | alonga | 607.25 1.9715 |
| Czechoslovakia Koruna (com: 8.50 Maldive Islands Ruffyaa 9.82 Trinidad | /inidad & Tob ≨ unisian Dinar | 3,35 1,1000 (sg) |
| Denmark Danish Kroner 14.3850 Marta | urkish Lira | 727.43 |
| | .S. 5 .cotes@ant & | 1,58 6 5 1,9715 |
| Mauritius | - | 1.9710 |
| Dominican Repub. Dominican Fest 1.16 Mayles Mayles Mayles Base 17710.00 Uganda munumum Us | ganda Shilling | 762.0 |
| Ecuador Sucre (C) 98.29 Miquelon Local Franc 18.1450 United States | S. Dollar | 1,3885 |
| (F) 154,82 Monaco | ruguay Pesa | 133.45 |
| 1 MANUAL PARTIES PARTIES THE PARTIES OF THE PARTIES | A.E. Virnam Subie | 5,0900 1,1068 |
| 1(P) 5.62 | | |
| Equatorial Guinea. Ekuele 507.25 Mozambique Metical (A) 60.57 Vanustu | atu alian / ire | 149.15 2,589,5 |
| Ethiopia | | (4) 5,99 |
| Farce islands Danish Kroner 14,3860 Hebat | oli var | (6) 10,44 (6) 19,72 |
| Finland Markka 8 5815 NetherlandAntilles Antillian Guilder 2,01 | | |
| New Zentin 4-5 Point 2.0323 Vietimi Di | ong S. Seller | (D) 135,75 |
| French C'ty in Af C.F.A. Franc 607.25 Niger Republic C.F.A. Franc 607.25 | | 1.3886 |
| | ипови Так | (A) 3,0175 |
| l Gebon C. F.A. France 607.25 Oman Sulfaté of Riel Oman) 0.4775 Yemen (Nth) | val | 9.64 |
| Gambla | Yemen Dinar | 0,4775 |
| Gambla Dalasi 5,00 Pakistan | aw Y Diлаг | 382,1213 |
| | aire | 66.7956 |
| Gibraltar | wacha | 3,08 |
| Greece Drachma 179.23 452.49 (12: Zimbabwe | uncapae s | 2.1000 |

† Rete is the transfer merket (controlled). 1‡ Now one official rate. (1) Essential goods. (2) Preferential rate for priority imports such as (codetoffs, (4) Preferential rate for public sector debt and essential imports. (5) Preferential rate, (6) Free rate for luxury imports, remittences of money abroad and foreign travel. (7) Parallel rate. (8) Rate for remittences of foreign currency by Egyptians working abroad and tourists. (9) Banknote rates. (10) Rate for exports, (12) Rate for imports. (13) Essential imports. (14) Nearly all business transactions, (15) Argentina: June 15, new currency introduced: 1 evelval=1,000 old peacs.

† Correction (July 8):—Pepus New Guines, 1.3478.

34

Financial Times Tuesday July 16 1985



| Financial Times Tuesday July 16 1985 INDUSTRIALS—Continued LEISURE—Continued | PROPERTY—Continued INVESTMENT TRUSTS— | 35 |
|---|--|--|
| 1985 Slack Price - Site C'tr Sr's PF | 1985 High Lear Stack Price - Div Yid 1985 High Lear Stack Price - | rf Brb Yrd 1985 red Drr Yrd 1985 Reg Law Stock Price Red Cwr Gr's PE Kigh Law Stock Price Red Cwr Gr's PE 11 0.9 1.3 130 |
| 22 22 Martine Black 22d 148 100 Krause 110 44.4 36 57 49 597 50 Watchieses 74% 505 074% 23 855 185 - 184 90 krause 110 155 - 3 43 4 5 5 4 4 37 37 37 38 38 38 38 38 38 38 38 38 38 38 38 38 | 202 203 204 205 | 2.85 10 3.9 45 37 |
| 230 182 Morganizations 200 - 5 8.0 Lb 5.7 11.3 1.5 4.5 4.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1 | 325 253 Kon Peor, Str. 10p. 300 -2 retail 23 22 25.95 50 224 Eng. & Internal Control Con | 7.0 1.0 43 144 92 Santa Gras. 143 144 dab. 23 Li 110.2 £4614 C37 Imple Am Inv 50c |
| 40 20 Notific Spencer 100 22 15 15 15 17 (Handeln 20c 20 11 12 27 11 8.9 27 13 14 14 14 14 14 14 14 14 14 14 14 14 14 | 107 37 Martheadh 37 215 8.3 156 485 97 100 1 | 375 12 42 01L AND GAS 190 155 Falcon 250 |
| 98 37 Hotemerics 33/37 46 | 25 25 25 25 25 25 25 25 | 10 30 World Reparce AST 340 2 423 52 437 115 448, Ac. Coal Str. 221 0195 31 37 15 15 16 16 16 16 16 |
| 378 2877 Pearson 333 -2 MS.5 3.1 36 J11.5 295 J3 (175 AVI) J10 | 352 Fro. Partnership 385 45 7.8 6 2.9 6 550 439 Flening Inspace 440 -4 194 136 Fro. & Renshardy. 178 4,1 14 31,3 249 119-3 101 Flening Mercancile 108 42 132 118 Fro. Sec. Inv 50a 119 12.23 2.2 27 139 134 105 Flening Decreas 151 1654 -13 134 Flening Technical 125 41 134 135 134 Flening Technical 125 41 136 134 Flening Technical 125 41 136 1 | ## 173 1.0 4.1 577 477 Set. Petroleum \$25 4.2 30 0.2 2 8.2 8.5 33 20 McCoops Gold 100 \$27 |
| 12 128 149 hates int. 153 1-2 2 4 2 4 2 4 | 30 20 Repetitivest 100 271-2 4.1.0 0.9 5.2 22.0 6.31-585-Fullerin Inc. 59 1.65 | U.4 12 14 128 61 WCtoreman Pri RL 63 +2 - - - Australians |
| 14 7-Polyment 101 11 104 - 11.7 45 12 B4 50p 248 -2 012c - 38 - 293 246 Pount 101 275 -8 14.0 13 76 14.1 557 757 1004 1012 275 -8 14.0 13 76 14.1 557 757 1004 1012 750 438 +6 02474 86 10.4 14.1 | 132 122 0a Sp. Car. 91-94 12122 +1 (98) 18 (96) - 261 (29 (9a) Corollaged 247 (+2 (100)) 120 (100) 26 (100) 27 (+2 (100)) 120 (100) 27 (+2 (100)) 120 (100) 27 (+2 (100)) 120 (100) 120 (1 | 1.9 1.0 2.4 110 50 riftoerey Per Nat Res 50 18 11 reviac Proposition No. 12 18 12 reviac Proposition No. 12 18 12 reviac Proposition No. 12 reviace Proposition No. 1 |
| 50 38 (Marco Off 10p 53 57 \$\infty\$ 1.5 \$\infty\$ | 50 35 Southerd Studies 5p. 39 1.55 2.6 250 160 133 Gen. St Index. LPgs | 9.9 10 54 70 33 Heinburg to 8 Ga 42 0.15 - 0.5 - 144 94 Whomatinelle 1 Kma 94 - 3 USC 02 74 1 USC |
| 657 550 Read int. £1 662 +9 10.5 25 41 11.4 2 27 Accordance Eng 22 29 10 51 4.9 55. 225 195 2 8 Renoma int. V50 211 (22% + 1.9 + 38 31 Armet's Eq. 10 p 31 -1 10.5 15 28 6.9 210 130 Accordance Group 210 + + + + + + + + + + + + + + + + + | 170 Firecherwood (10) 174 984.6 42 34 9.2 235 207 Borston's Capital 210 +1 47 33 Tirst of Prop. 50 44 0.4 1.1 1.4 627 479 Jagon Assers (10) 51 530 480 Utat Real Prop. 485 10.0 22 2.9 21.8 25 134 0x Warrans 134 137 138 | 93.65 1.0 2.5 2.5 2.5 1.15 intrinstant on 10p |
| 252 200 Refer tons Rech 160 215 49 450 31 20 211 32 25 25 Dation 500 66 66 31 42 15 18.9 133 10 Reck 100 1132 25.0 45 29 Kasis-Fe Hidgs. 100 40 +1 1.73 1.7 6.2 13.2 155 94 Refer tons 100 94 4.8 22 6.1 9.8 340 266 Lazar facts. 61 291 +3 86 29 4 29 1 190 190 190 190 190 190 190 190 190 | 679 624 Werstham PFLZO 63874 | 10.0 12 42 93 75 WishbursanResq 63 570 985 Wish Ralpoorter 25c. 637 +5 030c 1.1 37 |
| 98 85 Russell (Å J 109 900 133 | 27 39 Febre (1) 100 +1 3.2 2.5 4.5 19.99 98 71 Leadon Tress 71 1.5 | 2.75 1.1 5.5 95 70 Inst. Atlants Res. 70 - |
| 11/4 713-Scott Robertston 25 23.33 3.8 11.2 71 40 Conte (71.75) 67 92.2 3.4 4.7 7.9 11/4 % Scott Greenian III.6 96 45 42.3 10.5 10.6 Contey 10.6 45.6 4.5 6.1 6 70 60 Scott Beritable 69 25.3 8 5.2 7.0 92 58 Seats (F.G.) 68 3.0 6.3 6 288 218 Sacistor Group 218 -2 1.59 5.8 10. 23.6 57 45 Slamifed Leurence 53 41.0 -2.7 268 218 Da. W.H-V 218 -2 1.59 5.8 10. 23.6 65 49 Retrovells 64 3.65 6 8.5 6 145 133 SSacinform (Gr. 59 1.55 2.59 3.3 2.9 (22.1 11.7 96 Respin Motor 10.3 1.7 1.50 278 Security Services 218 -2 2.98 3.3 2.9 (22.1 11.7 96 Respin Motor 10.3 6.5 6.9 (10.9 2.00.5) | 95 36 Sellikof Docks £1 76 +46 27 23 90, Warrants 25 198 125 Ocean Transport 157 +3 5.5 2.7 5.0 8.3 98 186 Merchants is 158 +1 100 74 Rancissas (W.) 84 5.0 0.4 85 - 174 136 Moves in 15.1 186 186 186 186 186 186 186 186 186 18 | 4.5 1.1 4.1 1.10 1.0 |
| 80 35 Safeth Group JAB +5 HB.33 2.0 5.2 4.3 4.8 100 83 Roders — 94 — 14.5 3.5 i.b.9 5.7 135 Sidew Group JAB +5 HB.33 2.0 8.5 8.4 5 Ferry Group 98 — 4.5 3.5 i.b.9 5.7 8 611.8 0 3.5 0 99 85 Perry Group 98 — 4.5 3.5 i.b.9 5.7 13.0 13.0 13.0 13.0 13.0 13.0 13.0 13.0 | SHOES AND LEATMER 255 197 1 | 14.4 1.0 5.7 125 |
| 216 167 Smiths lads. 250 170 176 167 240 1863 1804 120 290 20 20 1803 1804 120 20 20 20 20 20 20 2 | 206 142 Style 189 | 14.25 1.1 5.7 100 6 400 101 |
| 101 59 Starik, Paris. 46 2015.3 4.1 (4.2) 356 - 220 Reprier Pris 20 360 201 150 Da. Lipschmidth Pris 21 250 Da. Lipschmidth Pris 22 250 Da. Lipschmidth Pris 250 Da. Lipschmidth Pris 250 Da. Lipschmidth Pris 250 Da. Lipschmidt | 130 70 Messian R0.50 | 9.5 33 0.7 290 125 Petracol 10p |
| 72 56 Serring test 279 150 -3 12.0 2.4 11.4 4.1 25 Restriction & KP 375 169.7 115 37 Street Hild. 100 444 9 4.1 25 Restriction & KP 375 169.7 115 37 Street Hild. 100 444 9 4.1 25 Restriction & KP 375 169.7 115 37 Street Hild. 100 444 9 4.1 25 27 28 160 Section & KP 375 12.0 2.4 11.4 4.1 25 Restriction & KP 375 12.0 11.4 11.4 11.4 11.4 11.4 11.4 11.4 11 | TEXTILES 520 279 Allied Textile | 507 224 Ranger 031 233 -10 251 358 8.3 |
| 26 13 Sycamore Hidgs 134 9.0 2.0 6.6 9.0 20.0 175 Assoc. Paper 139 1.1 15.0 2.8 3.8 11.3 11.5 11.6 Systems Sp 9.0 2.0 6.6 9.0 20.0 175 Assoc. Paper 139 1.1 15.0 2.8 3.8 11.3 11.5 11.6 Systems Sp 9.0 2.0 6.6 9.0 2.0 175 Assoc. Paper 139 1.1 15.0 2.8 3.8 11.3 11.5 11.5 11.5 11.5 11.5 11.5 11.5 | 175-2 30 Carpets int. 50p 36 +1 -3 11.14 1134, Rotson NV Fill 1154 1154 1154 1151 105. No. 93; Fill 1151 105. No. 93; Fill 1154 1151 105. No. 93; Fill 1154 1151 105. No. 93; Fill 1154 1155 | Wild Rest 1.0 2.2 237 120 Soveream (6) |
| 65 de la lineiro (Eliza) 5p. 49 +1 229 24 84 5.6 20 451 Cartino Coroccius. 730 -10 144.5 33 0.9 457 213 130 (Toothii F.H. 5p. 194 225 3.9 1.7 31.3 28 9 122 Captum lots 50p. 235 8.4 \$\phi\$ 5.1 \$\phi\$ 1.27 130 (Toothii R.W 255 8.7 1.7 1.3 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 | 192 116 Dixon (David) 166 144 14.5 36 3.8 88.00 75 38 Do. Warrans 46 202 132 Don Bros Best. 194 +2 15.5 6.3 33.6 8.8 56 56 Early's of Warry 10a 25 +3 1315 1.0 22 82.11 24.5 211 Sco. Am. Im. 50b 226 +3 24.5 | 7.5 1,1 3,1 |
| 42 38 (Frieds | 72 46 letrime (Hidgs.) 54 2.62 2.6 7.5 7.9 136 119 Soit, Nerthern 130 +1 64 50 Krigsly & Prestr ZDp. 53 93,008 1.8 82 9,9 946 550 Sex, Range 1st. 557 +5 651 46 Lister 123 1253 175,002 124 1713 123 661 46 Lister 123 125 136 Second Harter Int. 5.9 67 2.0 Lines (Robert H.) 29 44 8 - | 3.75 6 41 |
| 75 75 Weignt Factoring 100 92 +2 43.13 4.9 4.9 5.0 1.75 1.25 1.75 1.25 1.75 1.2 | 276 198 Mots. Maring 256 -2 66.59 25 37 14.4 192 157 Stockholder, Far East \$1 157 159 139 131 Paims Groot 52 26.0 - 9.1 -46 1111 Stockholder, far East \$1 112 +12 155 132 HPantheyelfs 137 33 2.9 3.4 14.5 100 76 17 Assertain Trest 77 +1.1 107 91 Parktard 'A' 95 4.8 4.1 7.2 3.6 87 76 178 Cey of London 18 83 +1 1.34 2.6 Resolve 59 34 +1 1.45 2.4 6.1 8.5 139 178 Inc. 16 Georgia 141 +1 1.37 136 136 136 136 136 136 137 178 Inc. 16 Georgia 141 +1 1.37 137 137 Inc. 16 Georgia 141 +1 1.37 138 138 136 136 136 136 137 137 137 138 138 136 136 136 136 136 136 136 136 136 136 | 03.15c 12.9 157 475 395 Pf rists Cros. 01 395 -2 20.0 18. 7.2 10.3 12.9 10.3 12.9 10.3 12.9 10.3 12.9 |
| 172 153 Westerner S 50. | 45 33 Shaw Carpets Ilip 385-yat+2 25 4 Ilini 4 101 St Iff Technology 53 +1 104 108 Striker 118 +1 13.25 36 1.9 11 101 St Iff Technology 129 129 129 129 129 129 129 129 129 129 | 1.0 1.1 1.2 |
| 2720 124 Million 125 127 126 127 | 12 Tourismon 130 5.0 12 5.5 130 131 143 1778. Greater 144 +1 143 1778. Greater 144 +1 171 137 | 1.55 1.7 |
| 372 275 Molastey-Heights 302 42 198.73 58 37 59 557 30 Birlamman Stallarity 47 47 4 32 198 67 | 218 162 Imperial 169 169 15 835 20 7.4 8.7 42 31 0. Warrans 37 37 38 38 38 38 38 38 | 175 17 175 |
| 525 179 intermed 5 Account 5 125 1 0 115 1 112 110 Alled London 10p 116 117 3 2 23 048 1 127 1 128 1 129 1 1 | Investment Trusts 134 216 Abinpoorth 10p. 224 -1 1 1 1 1 1 1 1 1 | 25 13 0.8 — C1014 905 Assam Donars F1 905 9.0 4 1.4 ranking only for restricted divisions. 7.0 27 7.3 5.9 5.9 5.19 5. |
| 282 21. Fai Innerances 340.50 7 78m; +19 mot9.7 76.7 1.5 14.3 138 128 mots fixiate 124 4.9 125; 11.7 7.7 7.7 6.0 6.2 | 200 220 Ds. Cab. 221 257 198 Baint 59 198 258 198 Baint 59 258 198 Baint 59 258 25 | 10.0 do 11.0 d |
| E333 222 Likerry Like SA (1) — E335 — G536 — 129 — 455 400 Chesterfield — 405 — 10.5 • 1.7 • 10.5 • 1.7 • 10.5 • 1.7 • 10.5 • 1.7 • 10.5 • 1.7 • 10.5 • 1.7 • 10.5 • 1.7 • 10.5 • 1.7 • 10.5 • 10.5 • 1.7 • 10.5 | 322 257 Sanife Gritard Japan 257 -4 0.4 1.3 0.2 27 9 Conventry Trast 10p 15 +5 tot 102 82 Sanife Gritard Japan 257 +4 0.65 1.3 1.6 253 211 Cote Bros. 250 +5 tot 102 82 Sanifer firm 36 Sanifer firm 37 Sanifer firm 37 Sanifer firm 37 Sanifer firm 38 Sanife | 20 35 12 28.4 708 409 WCors Morters Sc 475 9833 0 4.5 estimates for 1994 R Pigeres based on prosectus or otheral estimates for 40.3 33 2.2 19.7 322 186 East Daggs R1 290 +10 |
| C128, 960 Pearl So. S112 S13 S13 S12 S13 S13 S12 S12 S13 S13 S13 S12 S12 S13 | 305 253 Brit. Enn. Sec. 50. 29 40,9 1.2 4.4 242 178 Extra Int. 109 199 199 197 14.2 6 6.3 1654 14 Extra Int. 109 150 1 | 13.0 3.4 2.3 15.2 26.9 5.23 Grooter 25c |
| | 600 459 Do. Cap 570 39 29 Mampton To. Sp 32 70 110 Part to 1 20 120 | 135 — 1.6 — 1.6 — 1.7 — |
| LEISURE 163 150 Fregnore Existe 152 -1 16.15 2.9 5.8 7.9 19 161-164 6 M Nive 10p 15 -15 0.1 9.7 1.0 11.2 13 13 15 15 16 10.4 cm 95.4 12 12 12 12 12 12 12 12 12 12 12 12 12 | 507 503 Do. Cap. | 10.0 |
| 164 120 Anglia IV 4 Anglia IV 4 120 -5 31 3.6 3.5 11.2 218 106 Gregoral Offices 100 188 +2 1.75 \$ 1.3 \ 1.75 120 150 150 150 150 150 150 150 150 150 15 | 685 520 Continental & Ind 688 +1 20.0 10 4.7 79 50 Wikeyaes Inst. 62 10 10 10 120 Kressen Japan 50p 130 1-2 08 13 0.9 182 155 Kouser Taylor 100 100 100 100 100 100 100 100 100 10 | 13 20 65 89 100 85 31 36 100 416 252 Western Areas R1 275 1+15 10506 31 17.2 100 275 1+15 10506 31 17. |

١,

4

of cheaper money with modest improvements. Rank Organisa-tion, still drawing strength from the good Interim results, recorded an above-average rise

Morgan Communications at-

sorgan Communications at-tracted speculative support and advanced 6 to 136p but other Publishers traded in subdued fashion. Saatchi and Saatchi, depressed of late following pub-

licity given to a bearish circular from Hoare Govett, rallied 12 to 642p as Phillips and Drew took

a conflicting view and recom-mended purchases. Other adver-

tising counters continued to pre-sent an irregular profile. Boase

Base rate cuts and record retail sales a tonic

Account Dealing Dates

*First Declara- Last Account Dealings tions Dealings Day July 1 July 11 July 12 July 25 July 25 July 26 Aug 5 July 29 Aug 8 Aug 9 Aug 19

Bank base lending rate cuts, continuing buoyant retail sales and a strong pound were a tonic for London stock markets yesterday. The UK clearers belatedly followed the trend initiated last Thursday by Citibank and reduced borrowing charges by i percentage point to 12 per cent but the news failed to dampen overseas enthusiasm for sterling. The rate continued to gain ground against the dollar raising hopes that the authorities might signal their approval for another small cut in interest rates.

Increased domestic and foreign

EQUITY GROUPS

& SUB-SECTIONS

CAPITAL GOODS (COS)
Building Materials (22)
Contracting, Construction (29)
Electronics (34)
Mechanical Engineering (62)
Metals and Metal Forming (7)
Material Commissions (7)

Motors (16)
Other Industrial Materials (17)...
CONSUMER GROUP (177)
Brewers and DisUlters (24)

Food Manufacturing (21) Health and Household Products (9),

Heath and Household Product
Leisure (22)
Newspapers, Publishing (12)
Packaging and Paper (13)
Stores (42)
Textiles (17)
Tobaccus (3)
6THER GROUPS (101)

Property (50)..... Other Financial(25).

71 Investment Trusts (107) 81 Mining Finance (3) 91 Overseas Traders (14) 99 ALL-SHARE INDEX (739).

2 5-15 years .

3 Over 15 years.

FIXED INTEREST

+0.10 118.42

132.02 +0.41 |131.80 | 0.33

129.90 +0.32 | 129.72 | 0.15

109.91 -0.14 110.06 -

80.34 +0.35 80.26 0.20 3.64 14 Prefs

138.39 +0.50 137.70

149.54 +0.37 149.66

6 Delembres & Lagues .. 121.05 | +0.40 | 110.61 |

mand in a restricted market and moved up 38 to 188p; this com-pares with the striking price of 123p following the offer-for-sale by tender at 120p. Christian Salveson were also supported and rose 6 to 125p.

confirmation of lower interest rates following last week's call for the Government to embark on a major public works programme, gave a mild boost to the Building sector. Scattered buying interest lifted RMC 4 to 372p and Blue Circle a couple of pence to 520p. Tarmac, a particularly firm market recently following reports that the groun is signal their approval for another small cut in interest rates.

Increased domestic and foreign support soon exhausted the Government broker's remaining supply of the tap stock, fully-paid Tressury 10 per cent 2004, at 97½. Free of restriction, the stock led a general price advance which ended with selected high-coupon longs showing rises of the tat the 3.30 pm close; Exchequer 12 per cent 1999-2002 achieved an outstanding gain of a point at 100%.

In the after-hours' trade, fresh demand took the longs even nigher and some even settled with gains extending to a point. Shorter maturities made only small net improvements, while index-linked issues suffered from views that the Government was following policies designed to some even settled an isolated dull spot, fall-ing 9 to 76p on the annual profits settled.

with gains extending to a point. Shorter maturities made of the provided an isolated dull spot, fall index-linked issues suffered from virgos and substantial process. The provided an isolated dull spot, fall index-linked issues suffered from virgos and substantial process. The provided an isolated dull spot, fall index-linked issues suffered from virgos and following policies designed to review that the Government virgos and the provided an isolated dull spot, fall index-linked issues suffered from virgos and following policies designed to represent the fart season of a new range of such and particularly against feed comment on the clearing banks relations to laves and the comment on the clearing banks relations to laves and the comment on the clearing banks relations to laves a such as the comment of the comment on the clearing banks relations to laves a such as the comment of the comment on the clearing banks relations to laves a such as the comment of the comment

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times.

the Institute of Actuaries and the Faculty of Actuaries

Mon July 15 1985

| Heat | Change | Wat | Chiral | Chiral

599.06 +0.9 - 4.75 - 11.70 593.91 597.79 594.05 470.07 | Index | Day's | Day's | Day's | July | July | July | July | July | Mo. | Change | High | Low | 12 | 11 | 10 | 9 | 8 | ago | 1243.6 | +12.8 | 1243.6 | 1231.5 | 1230.8 | 1238.4 | 1230.4 | 1239.6 | 1258.2 | 1003.0 |

增加

10.16 10.19 10.19 11.07 10.55 10.13 11.12 10.70 10.25 10.05

智

10.19 10.23 10.23 11.12 10.62 20.19 11.16 10.78 10.34 9.89 11.74 11.56 11.39

for both equities and gilts ffer at 126p; down 6; the latter's esults are due next Tuesday. he leaders responded to news

| FINANCIAL TIMES STUCK INDICES | | | | | | | | |
|-------------------------------|------------|----------------|------------|------------|-----------|-----------|-------------|--|
| : | July 15 | July 12 | July 11 | July 10 | July 9 | July 8 | year ago | |
| Government Secs | 83,12 | 82,89 | 82,75 | 82.68 | 82.65 | 82,49 | 76.81 | |
| Fixed Interest | B7,50 | 87,58 | B7.49 | 87.48 | 87.33 | 87,17 | 80,94 | |
| Ordinary V | 937.2 | 926. 0: | 934.4 | 923.1 | 932,0 | 961.2 | 775,0 | |
| Gold Mines | 399,5 | 392.4 | 401.4 | 398,3 | 405.2 | 415.5 | 553.9 | |
| Ord. Div. Yield | 4.96 | 5,01 | 4.96 | 5,01 | 4,95 | 4.87 | 5.18 | |
| Earnings, Yld.≵(full) | 12,38 | 12,48 | 12.36 | 12,49 | 12,35 | 12.13 | 11,89 | |
| P/E Ratio (net: (*) | 9.87 | 9,79 | 9,88 | 9.78 | 9,89 | 10.07 | 10.11 | |
| Total bargains (Est.) | 20,495 | 21,819 | 20.53B | 19,170 | 20,452 | 20.870 | 19,547 | |
| Equity turnover £m., | | | 400,37 | | | | | |
| Equity bargains | | | 18,617 | | | | | |
| Shares traded (mi)! | | | 192,8 | | | | | |

₩ 10 am 926.6. 11 am 928.0. Noon 931.0. 1 pm 932.1. 2 pm 933.1 3 pm 934.0. 4 pm 934.0.

Day's High 937.2. Day's Low 928.0. Basia 100 Govt. Secs. 15/10/28. Fixed Int. 1928. Ordinary 1/7/35 Gold Mines 12/9/55. SE Activity 1974. Latest Index 01-246 8026

| HIGHS AND LOWS S.E. ACTIVITY INDICES | | | | | | | | | | | |
|--------------------------------------|------------------|-----------------|---------------------|-------------------|-------------------------------|----------------|----------------|--|--|--|--|
| | 19 | 85 | Since Co | mpilaťn | ! | July 12 | July | | | | |
| | High | Low | High | Low | Daily Gift Edged | | | | | | |
| Govt. Secs. | 82,89 (12/7) | 78,02 (28/1) | 127,4 | 49 18 | Bargains, Equities | 159,0 | 166,3 | | | | |
| Fixed int | 87,58 (12/7) | 02.17 (28/1) | 150.4 (28/11/47) | 50.53 (8/1/75) | 5 dayAverage | 666.6 | 120.6 809.2 | | | | |
| Ordinary | 1024,5 (22/1) | 923,1 (19/7) | 1024,5 (22/1/85) | 49,4 (26/8/40) | 3ilt Edged Bargains | 154.9 | 148.1 | | | | |
| Gold Mines | 535.9 (15/4) | 392,4 (12/7) | 784,7 (15/2/88) | 43.5 (26/10/7 | Equities Bargains Value | 113.3 662.9 | 111.9 679.5 | | | | |

Wed

ladez No.

Elsewhere in miscellaneous industrials, Cole Group moved up 7 to 225p on the announcement that Low and Bonar had increased its stake to nearly 25 increased its stake to nearly 25 per cent, while Wolverhampton Steam Laundry put on 4 to 47p, after 48p, in response to press comment. Christie's International, dull last week in sympathy with the weakening dollar and reports that the company could face a U.S. inquiry into its painting sale operations, recovered 10 at 225p. Redfearn National Glass improved 4 to 92p and Stonehill gained 9 to 108p. Johnson Matthey appreciated 5 more to 100p on further consideration of the preliminary results, while Unigroup met with revived speculative support and closed 4 higher at 39p. Bowater touched 261p prior to ending a net 4 better on balance at 256p following acquisition news, but AAH came on

Features in the oil market options were transacted i were few and far between with dealers awaiting next Monday's Opec meeting. The leaders managed to register minor gains.—Shell edged up 6 to 681p and BP hardened to 525p—and it was left to Burman to provide the day's best performance. The latter, boosted by comment on last week's £15m sale of its Standard Motorists Centres and silence

EUROPEAN OPTIONS EXCHANGE Aug. Nov. Feb. Vol. Last Stock

The Gold Mines index rallied 7.2 to 399.6. The best performers among the heavyweights included Southvaal, £30‡, Vaal Reefs, £63‡, and Western Holdings, £22‡, all of which posted gains in the region of ‡.

Financials suffered from lack of interest but the UK-based issues managed marginal improvements following the upturn in domestic equity markets. Consolidated Gold Fields put on 5 to 503p and Rio Tinto-Zinc hardened 3 to 550p.

Relatively subdued conditions prevailed in Traded Options which attracted 5,996 contracts—3,456 calls and 2,540 puts. This was well short of last week's daily average of \$,242.

NEW HIGHS AND LOWS FOR 1985 NEW HIGHS (75)

Massimi Pollitt hardened a few pence to 327p, but Valin Pollen remained friendless and dipped 10 more to 465p. London and Continental Advertising firmed 3 to 140p following favourable Properties gleaned some encouragement from the cheaper money trends. MEPC, a dull market last week in the wake of the major share placing to help finance the £112.5m purchase of EPC from Canadian group Olympia and York developments, picked up 4 to 261p, while Land Securities railied 7 to 267p. British Land firmed 3 to 136p on suggestions that the shares were

Bank of Ireland Cocenhagen Flance

SEERS (2)

Adiled-Lyons Marston Thompson

BUILDINGS (2)

SURLDINGS (2) STORES (1) FAI Insurances
LEISURE (1)

Leisure inv. PROPERTY (2)
Five Oaks inv. Property Principle.
TEXTILES (2)
Early's of Winey pure Select Int. Early's of Wikney Sekers Int. TRUSTS (2) Asset Soecial Sits. Smith Bros. OILS (7) ELF UK 124pcLn



OPTIONS

Tobaccos staged a minor rally.

Tobaccos staged a minor rally.

Bats put on 3 at 303p, while Imps, dull since the interim figures disappointed last Thursday, recovered 5 to 169p. Rothmans, however, remained depressed and gave up 4 more to 126p—the shares have now fallen 24 in the three trading sessions following publication of

Wolverhampton Steam Laundry, Punton, Energy Capital, Bem-rese, Midland Bank, Southwest Resources, Gomme, Terrex and Burnett and Hallamshire. No puts were reported, but double options were transacted in Dunton and Bemrose.

| IESIERVA | l II | | |
|-----------------------------------|-------|-------|-------|
| | Rises | Falls | Same |
| British Funds | 92 | 11 | 5 |
| Corpns, Dom. and Foreign Bonds | 20 | _ | |
| fortunarial | . 36 | -6 | 38 |
| Industrials | 367 | 184 | 916 |
| Fin. and Props | 141 | 77 | 332 |
| Oils | 28 | 21 | 78 |
| Plantations | 1 | 9 | 8 |
| Mines | 60 | 22 | . 97 |
| Others | 54 | 83 | 109 |
| Totals | 779 | 413 | 1,587 |

RECENT ISSUES EQUITIES

| | | | | _ | | - | | . 1 | _ |
|--|---|--|--|---|------|---|--|---|-------------------|
| tetue | Amount paid up Latest Renuno, date | 1985 | Stock | Otosing | + or | | mes | | 5 |
| | <u> </u> | High Lo | <u> </u> | 5 ° | | | 1 90 | | _ |
| 159 180 5138 50 175 170 130 | F.P. 2/8 F.P. 12/6 F.P. 24/7 | 60 58 335 223 140 130 50 48 87 76 172 165 | ATA Selection Sp Abbey Life Sp Appletree 10p Bellije G'f'd Ship Npn. ABlanchards 10p Bradstock Sp Brant Walker 10p | 135 48, 88 172 | +• | 52.5 | 5.0 1.6 8.4 | 3.616 4.11 2.616 3.718 4.411 4.719 | 5,3 5.5 5.8 |
| 275 44 () 170 | F.P. 10:9 F.P. 12:7 F.P. 12:7 F.P. 12:7 F.P. 26:7 F.P. 25:7 F.P. 25:7 | 263 160 12 8 100 100 | British Asrospace 89: Give Discount Wrrts. *Cobractmer IdMiner !s Granbrook Elect. 59: Goodhead Print 20: Green Property Ir. 25: 14:Heavitree Brewey. Do. "A. Lim., Vtc. Ord. | 160 100 80 110 80 68 890 | -6 | 15.65 51.6 03.5 | 5.9 9.6 8.8 1.5 | 1.6 10 4.5 18 5.4 9 | |
| 140 1183 144 120 50 5170 41 199 5138 | F.P. 12/7 F.P. — F.P. 35/7 F.P. 35/7 F.P. 9/8 F.P. 9/8 F.P. 9/8 F.P. 12/7 F.P. 12/7 F.P. 12/7 F.P. 12/7 | 156 125 128 128 47 46 55 46 115 100 170 148 474 36 117 102 148 126 125 103 125 103 125 305 76 74 115 89 | isotronLondon Tst. Wrrts | 137 188 46 46 100 50 148 56 117 127 128 108 355 | _2 | 1.0 bl.5 bg4.5 bg4.5 bg.9 bl.9 2.876 b6.0 bg1.1 | 5.6 5.6 2.0 2.7 3.1 8.3 2.4 4.2 | 3.1 12 2.114 | 9 80 - 5776 81 |

FIXED INTEREST STOCKS

| lasue price £ | | enumo. dete | 198 | 35 | Stock | Closing price 2 | + 0 |
|---------------------|------|----------------|--------------------------|------------------|---|--------------------|---------------|
| | Amo | 727 | High | Low | | ŏā | _ |
| 11 역제 | F.P. | 26/7 | 107p 971 ₂ | 103 ₁ | Allebone 834% Gnv. Gum. Rd. Prf Boddingtons 934% Cv. Uns. Ln. 2868-05. | 107p 9612 | |
| | Nil | | 4ppm | 4000 | C, H, Industis. 7% Cny. Cum. Red. Prf., | }ppm | t |
| 4 4 | F.P. | 26/7 | 102p 124p | 107 | Caparo Inds. 8% Cnv. Cum. Prf Cape Inds. 8.4% Cum. Cnv. Red. Pref | 124n | ļ |
| | F.P. | 12/8 | 101 | 97 | | 97p | ł |
| 50p | F.P. | 2/9 | 103n | 95i | WHumberprint 61s K Cnv. Cum. Red. Prf | 95p | - |
| ji ' | NII | 1 - 1 | 1ppm | 1ppri | Juliana's 712% Cav. Uns. La. 2000-02 | ת.מקו | |
| 90.705 | | 28/7 | 106 321 | 59H | Melaysia 103/2 Ln. 2009 | 3212 | + 50 |
| 99,99 | F.P. | 26/7 | 10251 | 100 | Mansfield Brewery 1114% Deb. 2010 | 1023 | +1 |
| | F.P. |) = i | 100.4 | 1004 | Nationwide Bidg. Soc. 12 43, 30/6/86 Do. 11#3 Bds, 21/7/86 | 200 _{rk} | |
| 100 | F.P. | _ <u>-</u> _{ | 10934 | 1081 | Oldham Met. Borough 12.4% Rd. 2022 | 1097 | |
| | | 26:7 19:7 | 125p | | Port. & Sund. 1012% 2nd. Cum. Prf Russell (A.) 5.75% Cum. Cnv. Rd. Prf | 1000 | |
| 94,896 | F.P. | 12/7 | 1025 | 100 | SonintKinedom of 114% Ln 2010 | 10256 | +54 |
| \$100 \$100 | F.P. | { = } | 105g 105g | 103 | Sund. & S.Sh'ids.Wtr. 11.83Rd.Db. '95/87 West Hampshire Wtr. 11.85 Rd.Db. '95/87 | 1059 | +10 |
| 14 | F.P. | 26/7 | 105 | 100 | Woolworth 8122 Cnv. Uns. Ln. 2000 | 10514 | + <u> </u> 2 |
| \$100 | F.P. | . – 1 | 1056 | 104 | York Wtr. 11.8% Red. Deb. 1995/97 | TOSE | T *5 |
| _ | | | | | | | $\overline{}$ |

RIGHTS OFFERS

| A Phice buice is a count of the | | Latest Renunc. | 198 | 15 | Stock | Closing | + 9: |
|--|------|-------------------|-------|-------|-----------------------|--------------|-----------------|
| | | uate | High | Lqw | | 중투 | |
| | F.P. | 16/8 | 58 | 50 | Ansbacher (H.) | 53 | +2 |
| Lr.0,40 | | . | 3612 | 26_ | ! Aran Energy 20p | 26 8pm | |
| 165 | NH. | 13/9 | 15pm | | Baker Perkins 50p | 20 Opm | |
| 33 | F.P. | 16/8 | 3712 | 30 | 1810-130lates | 180 | |
| 145 | F.P. | 2/8 | 175 | 160 | *Siue Arrow | | |
| 100 | NH | | 2pm | | Cobra Emerald Mines | _ipm | |
| 10 | F.P. | 29/7 | 14 | 111, | Le Ecobric A £1 | 14 | <u>⊢</u> , |
| 190 | F.P. | 9/8 | 245 | 255 | Emess Lighting | 255 | |
| 220 | F.P. | 26/7 | 239 | 219 | English China Clays | 226 | + |
| 810 | F.P. | 25/8 | 848 | 208 | Evered | 208 | <u> </u> |
| | 100 | 28/10 | 123 | 99 | Hanson Trust | 101 | 1 |
| 250 | F.P. | 6/8 | 295 | 265 | London United 20p | 270 | +5. |
| 285 | NII | 9/B | 224pm | 134pm | Mills & Allen | | |
| 77 | Nil | _ | 3.pm | | New Cavendish 5p | - spm | · · · · · |
| 180 | F.P. | | 19712 | 183 | Sunlight Service 10p | 182 | 1 |
| 370 | F.P. | 26/7 | 447 | 382 | Taylor Woodrow | 445 | -2 |
| 600_ | F.P. | 20/B | 690 | | Union Discount £1 | 6 9 0 | + 15 |
| A\$1,25 | NII | | l Spm | i 3pm | Woodside Pet. A\$0.50 | 3pm | (2 |

Renunciation date usually lest day for dealing free of stamp duty. b Figured on prospectus estimates. c Assumed dividend and yield. u Forest based on prospectus estimates, g Assumed dividend and yellow dividend cover based on provious year's earnings, p Peace unless otherwise indicated, 1 lasued by teader, i Officed holders of ordinary shares as a registration with resugantisation merger for texturer. If Allotment letters of fully peld. If introduction if Unitared Securities Market. I Placing price, 32 Dealt in Uniter Rule 535 (3). The Dealt in Uniter Rule 535 (4) (a).

ACTIVE STOCKS

Bowster Industries... 256

Imperial Group Jaguar Pentland Industries...

FRIDAY'S **ACTIVE STOCKS** + 19 + 3²+ + 24 + 5 - 2 65 692 164 178 387 248 134 102 319 330 230 E12

PUTS.

LONDON TRADED OPTIONS

| | | | -1 | | 9 | | | . I | | -1 | -1 | <u></u> | - ' - | 4 | |
|------------------------|--------------------------|------------------|--|----------------|----------------------------|----------------------|------------------|--|-------------------|----------------------|----------------------|----------------------|----------------|----------------------|----------------------|
| Optio | 'n | Jly. | Oct. | Jan. | . Jiy. | Oct | Jan. | . I | | Aug. | Nov. | Feb. | | Nov. | Feb. |
| B.P. (*526) | 460 500 650 | 30 | 85 48 21 | 58 55 | 1 2 28 | 1 40 | 22 47 | Lonrho (*168) | 140 160 180 | 51 12 2 | 19 7 | 23 12 | 11g 3 16 | 6 17 | - 8 18 |
| | 600 | I | 111 | 18 | 78 | 85 | 88 | P. & O. (*355) | 300 330 | 62 | 43 | 52 | 4 | 8 | 13 |
| Cons. Gold (*502) | 460 500 550 600 | 15 | 60 37 17 4 | 45 50 11 | 111 60 100 | 18 55 104 | 25 60 105 | | 360 390 420 | 111 3 1 | 8 8 — | 32 15 — | 15 87 66 | 20 40 — | 23 42 — |
| Courtaulds | 130 | 1 9 | 1 16 | 1 21 | 1 1 | 5 | 1 7 | Racal (*138) | 130 140 | 16 | 22 15 | 28 20 | 11 | 15 | 15 |
| (*187) | 140 160 | 012 | 10 | 16 | 25 | 24 | 10 25 | RTZ. | 160 180 | 25 | 3 42 | 12 8 55 | 24 44 | 24 44 21 | 25 44 80 |
| Com. Union (*213) | 200 | 1 17 | 38 22 15 | 33 23 | 2 | 8 | 12 | (*552) | 600 650 | 1 10 | 25 | 32 | 54 108 | 60 104 | 65 |
| G.E.C. | 220 240 | . 3 | 15 9 | 23 14 28 | 12 28 | 14 51 | 1 8 | Vaal Reefs (*\$88) | 80 90 100 | 10½ 454 214 | 134 | 104 | 214 614 | 16 | 654 13 |
| G.E.C. (*168) | 180 | 1 1 1 1 1 | | | 14 1 | 1 18 (| 18 | Ex 10% 1989 | <u> </u> | i 6.2 i | 1 | 1 51g | 1 014 | 17 | 1812 |
| l | 1 220 | <u>i</u> | 1 | 1 = 1 | 34 54 | 34 54 | 54 | Ex 109 1989 (*£96) | 92 94 | 25 | 1 3 1 | 1 324 | 强 | 망 | |
| Grand Met. (*283) | \$80 300 | 112 | 10 | 32 18 | 17 | 22 | 23 | ' | 94 96 98 | 63 | 048 | 15 |] [| 0/E | 12 |
| | 1 330 |] 1 | 1 4 1 | 9 | 45 | 47 | 1 47 | Tr. 1129, 08/07 (*£110) | 1 308 1 | 4 t 510 | 5.4 | 6 lgi | 1 OS-1 | 068 | |
| LC.I. (*694) | 700 750 800 | 12 2 | 40 18 7 | 50 30 15 | 10 52 102 | 35 72 114 | 42 72 116 | \ <u></u> | 110 | 114 | 2,3 | 313 | 遙 | 06 1治 1清 | 排 |
| Land Sec. | 1 260 | 1 11 | 119 | ı 26 ı | 1 6 1 | 171 | 1 10 | Optio | on | Sept. | Dec. | Mar. | Sept. | Dec. | Mar. |
| (*263) | 300 300 | 1 1 1 1 | , [ë] | 15 | 15 34 | 17 35 | 19 36 | STR | , 300 j | 45 | 55 | 60 | 4 | 9 | 14 |
| Marks & Sp. | 120 | 118 | 1 24 1 | = | 1 1 1 | 1 8 1 | 1 - | (*330) | 325 330 | 22 | 35 | 40 | 15 | 18 | 28 |
| (*13 6) | 140 | 8 2 2 2 | 16 | 20 14 | 6 | 12 | 14 | Beecham | 350 J | 1 25 1 | 1 30 1 | 38 | 30 | 35 | <u></u> |
| Shell Trans. | 160 l | [83 | 1 4 1 | 6 | 25 | 1 26 1 | 1 28 | (*305) | 330 360 | 8 4 | 177 | 20 | 28 58 | 14 33 58 | 18 37 |
| (*673 ₎ | 650 700 750 | 35 6 1 | 50 28 13 | 62 37 18 | 4 28 73 | 13 35 78 | 17 40 82 | Eass (*547) | 500 560 600 | 64 25 8 | 77 37 20 | 87 47 | 20 | 11 30 | 15 85 |
| Traffgar Hse | 523 530 | 22 | 34 | ī — ī | 1 1 | 7 7 | ! - | De Beers | 1 460 j | 100 | 110 | -= - | 12 | 18 | <u> </u> |
| (, | 353 360 | 3 | 18 | 34 20 | 12 | 15 | 12 | (*\$5.45) | 500 550 | 55 25 | 73 40 | 90 57 | 20 43 | 33 65 | 46 78 |
| l ==== | 1 000 | ' | <u>—</u> | 1 20 | 믚 | ' | 25 | GKN (*224) | 180 | 50 31 | 37 | 44 | 3 | 6 | <u> </u> |
| Option | | Aug. | Nov. | Feb. | Aug. | Nov. | Feb. | | 220 240 | 19 | 25 13 | 32 19 | 18 18 | 11 22 | 14 25 |
| BAT Inds. | 280 280 | 25 | | ;——-; | ;—— - 4 | | | (*1205i]: | 1200 1300 | 50 15 | 85 35 | 110 | 37 105 | 53 110 | 68 115 |
| (*303) | 300 380 | 18 | 25 12 | 33 17 | 12 35 | 18 40 | 22 47 | Напаол (*185) | 180 | 17 | 24 | 29 | | 9 | 14 |
| Barclava | 1 335 1 | 1 82 1 | 1 6 | <u></u> - | 63 | 63 | <u></u> | , | 195 200 | 8 | 16 | 16 | 7 16 | 20 | = |
| Barclays (*412) | 360 | 35 | 87 47 | 77 | ² | 3 | 8 | Jaguar (*246) | 240 i | 21 | - | - 1 | 9 | - i | 25 |
| 1 | 390 420 | 1=1 | 1 " | 52 36 | 13 | 12 | 碧 | (7290) | 260 280 300 | 10 6 3 | 10 | 27 16 | 20 35 | 36 1 | 97 57 |
| Brit. Aero (*831) | 1 330 1 | 14 | — 25 | 35 L | 1 - 1 | 1 — 1 1 16 1 | 37 | Tesco | 236 | 22 | <u>6 </u> 30 | + | 7 | 18 1 | = |
| (*831) | 360 390 420 | 14 | 14 | 22 | 33 | 33 | 36 . 65 . | 11 | 240 256 | 8 | 20 | | 80 | 23 | 14 |
| l! | 460 | <u> </u> | 2 | 4, | 93 133 | 93 133 | 93 | £/8 *158.64cts) | 126 1 | 14.00 1 | 19.00 1 14.60 1 | 19.20 15.50 | 0.30 | 1.701 | 3,16 4,70 |
| Bt. Telecom | 130 | 45 85 | ET | - T | 019 | | (- ' | | 130 | 9.40 1 6.00 | 11.10 1 8.30 | 9,80 | 3.50 | 3.90 4.60 5.70 | 4,70 6,50 8,70 |
| 7-2:0, | 150 | [25 | 26 | - 31 | 1 | 312 | (= 1 | 8/DM | 32 | 3.70 2.95 | 6,00 | 7.40 | 6.30 | 0.40 1 | 11.70 |
| 1 | 170 | 3 | 19 | 20 | 2 41 ₂ 10 | 12 | 5 14 | (*54.69 cts) | 35 | 2.25 1.38 | 3.35 2.65 2.10 | 3.80 3.20 2.55 | 0.30 | 0.701 | 0,70 1,00 1,30 |
| | 200 220 | 1 | 12 7 2 | 111 | 29 49 | 29 49 | 35 80 | l — | 35 | 0.90 | 2.10 | 2.55 1.95 | 1.05 | 1.05 | 1,85 |
| imperial Gp, (*169) | 160 | 16 | 22 12 | 27 1 | 5 1 | 9 1 | 10 | Option | Jly | Aug | · - | Dea. Ji | lly Aug | g. Sep | Dec |
| 1 | 200 220 | 1 1 | 12 51 ₂ 21 ₉ | 912 | 16 34 54 | 19 34 54 | 82 87 | FT-SE 120 Index 123 (*1242) 125 | 95 95 | - 38 23 | 70 | = 1-, | 7 18 | 18 | 1= |
| LASMO (*256) | 240 260 | 33 18 | 42 | 52 1 | | | 16 | 127 130 | 75 3 | 111 I | 1 | 47 22 40 | 30 | 1 - 1 | 57 |
| | 280 293 | 8 5 | 28 18 9 | 26 | 16 27 38 | 12 25 55 42 | 40 40 | \135 | 50l | · I [| <u> 15 1</u> | 12 - | =1= | 115 | 87 118 |
| I | 300 (| - 1 | <u>-</u> 1 | 14 | = | = 1 | 55 | July 15 Total C | ontrac * Und | ets 3,41 Jerlyinß | 56. C | Calis 4,4 | 452, | Puts 2 | 540 |
| | | | | | | | - | A Committee of the Comm | | | | 100 Po 1-4 | - 0 | | |

nd ani. 1985 to date

7.67

6.57

7.27

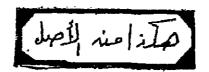
7.06

6.08

6 7 High 8 Coupons

'IDAY'S

Head Office: Grindlays Bank plc, Minerva House, Montague Close, London SE1 9DH.



WORLD STOCK MARKETS

| WORLD STO | CK MARKETS | |
|--|--|---|
| AUSTRIA GERMANY NORWAY AUSTRALIA (continued) APAN (continued) Price + or July 15 Price | CANADA | |
| Second S | Sales Stack High Low Close Clong TORONTO | Sales Stock High Low Class Ching Tool Lamonics \$221/9 \$225/9 \$225/9 \$225/9 \$225/9 \$2 |
| De Danske Luff 1,170 July 15 Lira Sonesson 157 42 Syen Handlesbn 157 57 Syen Handlesbn 157 58 Syen Handlesbn 158 58 58 58 58 58 58 5 | NEW YORK-DOW JONES July High Low High Low | July July July 1985 15 12 11 10 High Low AUSTRALIA All ord. (1/1/80) 803.3 808.8 807.0 905.9 807.0 (11/7) 715.3 (7/1) Metals 2 Mies. (1/1/80) 508.3 515.5 518.0 523.7 583.8 (20/5) 362.5 (7/1) AUSTRIA |
| July 12 | Transport 880.88° 887.97 676.97 889.12 888.54 877.20 887.97 553.83 687.97 12.32 1277/85 (4/1) 1277/85 (877.72) 188.91 188.91 187.78 167.42 188.70 188.85 168.85 | Credit Alction [2/1/82] 96.94 88.40 97.18 97.77 195.73 17/6) 85.21 (24/1) BEL GRUNK BRUSSRIS SE (1/1/80) 2329.30 2337.61 2330.25 2330.34 2384.12 (5/8) 2090.7 (18/1) DENBLARK Copenhagen SE (3/1/83) n/n 209.3 211.59 209.38 211.59 (11/7) 158.44 (8/1) FRANCE CAC Seneral (31/12/82) closed 219.80 218.3 218.2 233.1 (31/5) 789.9 (2/1) Ind Tendance (28/12/84) closed 125.40 124.86 123.1 130.4 (31/5) 100.1 (3/1) GERMANY FAZ Alction (31/12/58) 473.86 475.49 484.61 471.57 502.62 (5/7) 382.39 (3/1) Comparation k (1/12/53) 1388.0 1397.7 1424.0 1378.8 1475.0 (4/7) 1111.8 (3/1) |
| Darty 1,470 705 1,705 20 20 20 20 20 20 20 | Industrials 212.72* 212.48 212.23 211.78 218.29 211.38 212.44 128.24 212.48 3.62 (12/7) (4/1) (12/7/65) 30/6/32) | Hong Kong Hang Seng Benk (31/7/64) 1640.49 1815.78 1597.81 1573.41 1847.88 (17/5)1229.74 (2/1) ITALY Benca Comm. Ital. (1972) 347.27 349.15 347.26 344.78 349.15 (12/7) 228.56 (2/1) JAPAN Nikkei-Dow (18/5/49) 12598.77 12839.48 12858.18 13012.99 13040.18 (6/7) 11545 2 (5/1) Tokyo SE New (4/1/68) 1029.80 1048.36 1048.80 1057.5 1055.91 (8/7) 916 93 (4/1) NETHERILANDS ANP-CBS Indust (1970) 218.7 217.48 218.5 215.1 220.8 (8/7) 185 6 (3/1) NORWAY |
| Petroles Fra. 219.5 + 1.5 Pakhaed. 62.5 + 0.5 Belf Res. 6.8 + 0.2 Robeco. 76.4 - 0.2 Belf Res. 6.8 + 0.3 Kokuyo. 965 - 25 CNA Gello 3.2 Chris Finance. 4.5 Chris Finance. | Stands S | Galo SE 4/1/83 328.45 325.79 320.97 321.46 346.97 3/8 288.18 2/1) |
| OVER-THE-COUNTER Nasdaq national market, 2.30pm prices | July July July July 10 1985 19 | WORLD Capital Ind. (1/1/70) — 220.6 219.8 219.7 218.4 220.8 (12/7) * Indicates pra-clean figure ** Seturday Jenn 30 Japan Nikkal Dow 10428.43 TSE 795.67 Base values of all Indicas are 100 except Asstratia All Ordinary and Matals – 500 MYSE All Common – 50 Standard and Poors – 101 and Torento Composite and Matals – 1000 Torento indices based 1975 and Montreal Portiolo 4/1/83 † Excluding bonds ‡ 400 industrials § 400 industrials plus 40 Utilines Financials and 20 Transports & Clausel 4. Upsidial bits. |
| Stock Sales High Law Last Clong Stock Stock Stock Stock Sale | RISES Exch 12pc 99-02 £109% + 1 Pentland Ind 270xc +22 Treas 10pc 2004 £971%s + % Sekers Int 68 +10 Barclays 415 +15 Sov Oil & Gas 140 +10 Brooke Tool 29 + 4 TI 274 +28 Burmah Oil 264 + 9 Thorn EMI 332 +13 Davy Corp 99 + 6 Tripley 36 + 3 | bank leumi (uk) plc Interest Rates |
| Perfect 1.12 27 28% 28% 28% 28% 28% 28% 28% 28% 28% 28% | Dee Corp | Bank Leumi (UK) plc announces that with effect from 17th July 1985 its base rate for lending is reduced from 12.5 per cent to 12 per cent per annum. |
| Proofft 1.20 26 13b 15t | hand-defivery same-dayservice now in STOCKHOLM GOTHENBURG and MALMÖ | שבנק לאומי bankleumi בנק לאומי |
| Outern 1772 1212 1276 1274 12 5 Silicons 76 7 634 634 13 12 1274 1 Themes 1772 1212 1276 1274 1 Themes 1772 1212 1276 1274 1 Themes 1772 1212 1276 1274 1 Themes 1772 1 Themes 1 T | If you live or work in one of | Grindlays Bank p.l.c. Interest Rates |
| Regiss .12 110 16½ 15¾ 15½ Sohird .30e 6 21½ 21½ 21½ USLICe .80 6 23¼ 23 2 23 - ¼ | For further details and subscription rates – ring our Copenhagen office: | Grindlays Bank p.l.c. announces that its base rate for |
| NYSE COMPOSITE PRICES | Stockholm FINANCIAL TIMES SCANDINAVIA Rosenborggade 5 A | lending will change from 12½% to 12% with effect from 16th July 1985 |
| 12 Month P/ Sis Class Prev. High Low Stack Div. Vid. E 100s High Low Class Prev. High Low Stack Div. Vid. E 100s High Low Class Prev. High Low Stack Div. Vid. E 100s High Low Class Prev. High Low Stack Div. Vid. E 100s High Low Class Class Prev. High Low Class Class Prev. High Low Stack Div. Vid. E 100s High Low Class Class Prev. High Low Class Prev. High Low Class Prev. High Low Class Prev. Hi | 1130 Copenhagen K Gothenburg | Grindlays |

YORK STOCK EXCHANGE COMPOSITE PRICES

687₂ 688₂ -1
167₃ 167₄ 687₄ -1
113₄ 127₅ -1
144 14 -1
15-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 -1
115-16 75-16 75-16 -1
115-16 75 | FORDERS | 683 | 683 | 684 | 684 | 685 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | 684 | | India | Indi Kidder, Peabody Securities Market Makers in Euro-Securities

New York • London • Paris • Geneva • Zurich • Hong Kong • Tokyo

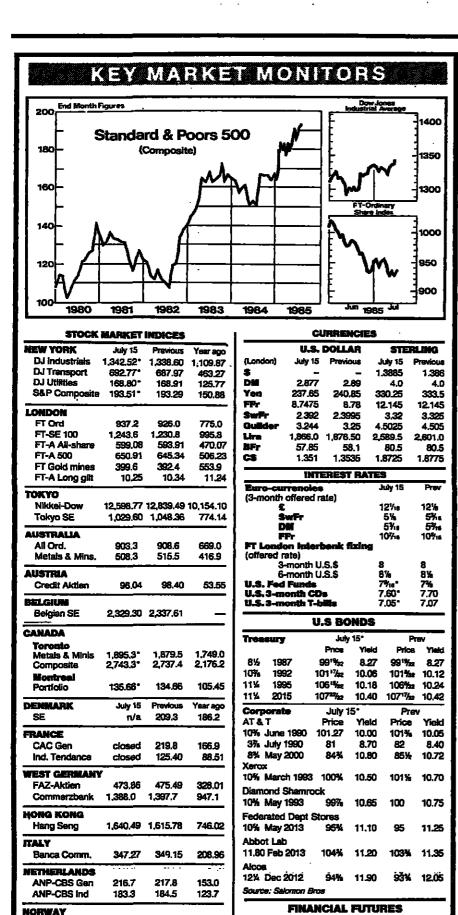
Financial Times Tuesday July 16 1985 NYSE COMPOSITE PRICES

IAMEY COMPOSITE DDICES

| NYSE COMPOSITE PRICES | AMEX COMPOSITE PRICES | Prices at 3pm, July 15 |
|---|---|--|
| | Note 1 | P/ Sta |
| 88 532 PBin pt 188 15. 2700 60 00 00 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 | Servicing 124 2 546, 344, 125 187, 88 854, 14 187, 15 | |
| per cent or more tast been paid, the year's high-low rengs and chivdend are shown for the naw stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the interest of dividends are annual disbursements based on the interest of dividends are annual disbursements based on the interest declaration. **Joynon 108 5.810 61 1854 181 185 185 18 18 18 18 18 18 18 18 18 18 18 18 18 | ACI 2524 442 443 443 453 453 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 104 91 8 8 9 9 9 1 4 235 131 13 134 0 0 29 21 2 2 - 18 66 174 164 17 - 14 1.08 26 443 444 443 16 1 72 32 311 312 12 74 107 407 401 401 - 14 280 5 21 8 21 8 21 8 11 8 12 280 15 21 8 21 8 21 8 14 102 154 151 159 1 8 18 101 434 42 42 4 1 12 231 176 164 17 1 12 231 176 164 17 1 12 231 176 164 17 1 12 231 176 164 17 1 176 14 76 32 341 341 341 341 341 341 351 151 151 151 151 151 151 151 151 15 |

FINANCIAL TIMES

WORLD STOCK MARKETS



329.46 325.79 238.02

717,95 725,27 868,16

952.6 1,034.8

109.96

1.318.04 1.324.74 1.474.28

464.6

Prev 219.6

July 15 \$316.50

\$316.25

\$314.83

\$317.25

\$318,40

July 15

£1,643.00 £1,671.00

436.15p

£1.039.50

458.8

July 12 220.6

GOLD (per ounce)

COMMODITIES

Yr ago

359.6

168,6

\$315.75

\$313.54

\$314.45

\$319.20

Prev 436.40p

\$26.95

£1.046.50

Oslo SE

SINGAPORE

JSE Golds JSE Industrials

Madrid SE

\$WITZERLAND

Capital int'l

Swiss Bank Ind

SPAIN

WORLD

London

Paris (fixing)

New York (Aug)

Silver (spot fixing)

Oil (spot Arabian light)

Copper (cash) Coffee (July)

Luxembou

(London)

Straits Times

SOUTH AFRICA

| Sept U.S. Treasury E \$1m points of 100 Sept Certificates of I \$1m points of 100 Sept LONDON | illis (III % 92.94 Deposi 1% | 92.95 t (IMM) | 92.85 | |
|---|--|------------------|--------|--------|
| \$1m points of 100 Sept Certificates of I \$1m points of 100 Sept | % 92.94 Deposi 1% | 92.95 t (IMM) | | 92.90 |
| Sept Certificates of I \$1m points of 100 Sept | 92.94 Deposi 1% | t (IMM) | | 92.90 |
| Certificates of I \$1m points of 100 Sept | Deposi 1% | t (IMM) | | 32.30 |
| \$1m points of 100 Sept | 1% | | | |
| | 92.26 | 02.20 | | |
| LONDON | | 32.20 | 92.19 | 92.23 |
| | | | | |
| Three-month E | | at | | |
| \$1m points of 100 | - | | | |
| Sept | | 91.96 | 91.85 | 91.83 |
| 20-year Notions £50,000 32nds of | | | | |
| Sept 1 | 112-20 | 112-20 | 111–24 | 111–23 |

Hong Kong

July 31,1964-100

WALL STREET

Boardroom figures feed rally

FAVOURABLE indications on corporate profits during the second quarter offset worries on Wall Street yesterday over the range of uncertainties surrounding the U.S. economy and the dollar, writes

Terry Byland in New York.

The market leaders rallied from a dull start as excellent results from the banks were followed by a satisfactory report from IBM. However, trading focused around the blue chips, with the broader market slow to respond.

At 3pm, the Dow Jones industrial average was up 3.92 at 1,342.52.

Bonds opened cautiously as the market digested the latest signs that the economy is slowing down, and braced itself for the mid-year report on Federal Reserve policy to be delivered tomorrow by Mr Paul Volcker, the Fed's chairman.

With some analysts suggesting that the Fed would ignore the renewed upsurge in money supply and ease credit policies in order to revive the economy, bond prices began to edge forward at mid-session.

The quarterly reporting season for U.S. industry made a strong start, with computer stocks moving higher as the market responded favourably to trading statements from IBM and several other technology leaders. Lower profits from the sector were expected, and the market was relieved by the absence of any new surprises.

At \$125%, IBM added \$1% after its results, which were comfortably inside the

range of expectations. NCR edged up \$1/4 to \$31% after results. Burroughs gained \$1% to \$58, Digital Equipment \$1 to \$95%, Control Data \$% to \$28% and Honeywell \$% to \$62%.

Intel, the semiconductor group, gained \$\% to \$27 despite a poor trading statement, which included disappointing comments on the market outlook.

The weak spot was AT&T, which fell \$% to \$22% in hefty trading after two brokerage analysts downgraded the stock and others lowered earnings estimates. The telephone company is trying to break into the computer markets. while simultaneously resisting IBM's headlong attack on its own telephone business.

Meanwhile, the financial sector ran into profit-taking following news of substantial increases in profits at major banks. Chase Manhattan dipped \$% to \$61%, while J. P. Morgan fell \$1% to

First Chicago Bank, at \$24%, lost \$2 after the board stated its support for Mr Barry Sullivan, the chairman.

As the latest sales figures from the motor industry trickled through the market, General Motors eased \$\% to \$68 but Ford added \$\% to \$43\% and Chrysler \$¼ to \$34½. After a weak start, airline issues took

off again, responding to the slide in world fuel prices. United added \$% to \$57% and Eastern, having denied intentions of bidding for TWA, gained \$% to \$9%. Pan American rose \$% to a new 52 week high of \$7%.

Hospital management stocks were poised for statements from Baxter Travenol and Hospital Corp of America (HCA), both seeking mergers with American Hospital Supply (AHS). Sus-pension of the three on the NYSE quickly stimulated trading in the third, or offfloor market, and quotes were restored on the big board. At \$44%, AHS jumped \$2% on hopes of better terms, while Baxter at \$15 was \$% off and HCA at \$49%. was down \$1/4.

The most active share was Crown Zellerbach, \$1/2 down at \$411/2, on turnover exceeding 2m shares, with Sir James Goldsmith, the UK entrepreneur, believed to be buying in an effort to thwart the company's restructuring

Other active issues included Levi Strauss, \$1% up at \$47 against the proposed management buyout at \$50 a share. Upjohn, still benefiting from optimism for its anti-baldness drug, added \$1 to \$121%. But Jack Eckerd, the drug-store group, fell \$% to \$25% when the board's repurchase of the stake held by Dart Group terminated the takeover

In the credit markets, short-term rates remained steady behind a federal funds rate at 7% per cent, at which level the Fed disclosed a further \$2bn in cus-

tomer repurchase arrangements.

The bond market lay dormant after edging higher at mid-session. Bond prices have failed to break through testing peaks of 109%, and now seem to be awaiting a more clear indication of the policies of the Federal Reserve.

EUROPE

Weak dollar erodes confidence

THE DOLLAR'S weakness against major currencies further eroded investor confidence on European bourses yesterday with West German and Swiss stocks under the most sustained selling.

Export-oriented companies, particularly electrical, chemical and motor stocks suffered the heaviest declines as investors expressed fears about the impact the dollar's decline will have on earnings.

In Frankfurt the Commerzbank index fell 9.7 to 1,388, influenced heavily by the sharp price mark-down in the automotive sector which had shown steady recent advances on expectations of robust returns from U.S. sales.

Daimler was among the heaviest los-ers, ending at a low for the day of DM 839, down DM 24.

BMW also closed at a low for the session with a DM 21 decline to DM 400, while Volkswagen shed DM 10.50 to DM 303.50 and Porsche slipped DM 16 to DM

The Paris bourse was closed for the Bas-tille Day national holiday.

1,349, although it was DM 45 down at one stage. Other sectors were under relatively less pressure and price changes were less marked, although few stocks escaped selling.

Among electrical stocks, Siemens dropped DM 13.50 to close at a low of DM 534 and AEG lost DM 1.80 to DM

Losses in the chemical sector were within a narrow range. Hoechst eased DM 4 to DM 220 while Bayer fell DM 5.20 to DM 219.80 and BASF DM 4.90 to DM 216.60.

Falls among the banks were generally lighter with Deutsche off DM 8.50 to DM 210 and Dresdner DM 1.50 easier at DM 255.50.

The bond market closed barely changed after a quiet session. The Bun-desbank sold DM 13.7m worth of paper, compared with sales totalling DM 17m

last Friday.

In Zurich profit-taking compounded the weak general tone which existed as a result of the dollar's fall and was sufficient to send the prices of most leading industrial stocks lower.

Ciba-Geigy was clipped back SwFr 90 to SwFr 3,510, while among other chemi-cal stocks, Sandoz lost SwFr 375 to SwFr 8,225 and Hoffmann La Roche moved against the general tone to firm SwFr 75 to SwFr 9,600.

Banks were also down. Crédit Suisse fell SwFr 45 to SwFr 2,920 with Union Bank off SwFr 30 to SwFr 4,270

A hesitant mood pervaded during trading in Amsterdam with mild selling making a small dint in the recent in-

The largest losers included Akzo down Fl 120 to Fl 115.80, Philips 50 cents lower at Fl 49.30 and Unilever off Fl 1.50 at FI 351. KLM was sheltered from most of the selling and eased only 10 cents to Fl

Banks were mixed with ABN off Fl 1 to FI 476, while Amro added 40 cents to FI 86.80 and NMB 20 cents to FI 208.70. Insurers eased with Aegon declining 50 cents to Fl 97.80 and Amev shedding Fl 3 to Fl 267.

While the Brussels market closed lower, the resignation of M Jean Gol, the Belgian deputy prime minister played little part in the decline with investors continuing to concentrate on fundamen-tals to influence their stance.

Among leading stocks, Petrofina fell BFr 40 to BFr 5,610 and Gevaert BFr 30 to BFr 3,920, while Kredietbank led a weaker banking and financial sector with a BFr 40 decline to BFr 2,220.

Milan prices eased as operators squared positions on the last day of the bourse's month. However trading re-mained active. Montedison eased a modest L9 to L2,100 following reports that one-third of the company's capital had been acquired by U.S. and UK investors.

Madrid was marginally firmer in light trading while Stockholm slipped back into dull trading with few movements among blue chip issues.

TOKYO

Late demand puts brake on decline

A BROADLY based decline took Tokyo lower yesterday although the late reappearance of demand for some construction issues - after some heavy morning selling - managed to alleviate the gloom, writes Shigeo Nishiwaki of Jiji Press.

The Nikkei-Dow market average plummeted 378 at one stage, before picking up to finish a net 240.72 lower at 12,598.77. It was the sixth successive daily decline – the longest series of declines since October 1982. Transactions totalled 655.50m shares, down from Friday's 785.86m. Losers outpaced gainers 635 to 231, with 83 issues unchanged.

Construction and cement stocks advanced last week, reflecting possible early starts of major projects, like a highway across Tokyo Bay. But they opened lower yesterday with investors apparently thinking prices had gone up too far. The price index for construction issues compiled by the Tokyo Stock Exchange had increased for nine straight sessions from 651 on July 2 to 767 last Friday.

Constructions continued as the most actively traded sector. Taisei Corp, dropped Y2 at one point, but finished up Y12 at Y324 on buying by dealing sections of brokerage houses.

Tekken Construction, gained Y50 to Y485, and Kumagai Gumi closed at Y785, up Y11, after temporarily losing Y24. But Penta-Ocean went down Y3 to Y370, Oh-Cement lost Y20 to Y355.

Reflecting the yen's advance against the dollar, large-capital issues firmed for the first time in many sessions, bought by institutional investors and dealing sections of securities houses.

Ishikawajima-Harima Heavy Industries topped the active list with 26.46m shares, gaining Y13 to Y181. Nippon Steel added Y9 to Y186 on the second heaviest trading of 23.57m shares. Tokyo Electric Power closed Y10 higher at Y2,190, but Mitsubishi Heavy Industries shed Y7 to Y320.

Biotechnologies lost ground on small-lot selling. Yamanouchi Pharmaceutical lost Y50 to Y2,650 to Y2,650 and Green Cross and Tanabe Seiyaku fell Y100 each to Y2,000 and Y990, respectively. Toyojozo finished Y90 down at Y1,190 and Asahi Chemical Y25 lower at Y815.

Trading was active on the bond market as institutional investors increasingly believed that the official discount rate would be cut in autumn. The yield on the benchmark 6.8 per cent government bonds maturing in December 1994 sharply declined from Friday's 6.365 per cent to 6.320 per cent.

LONDON

Ingredients mix into strong tonic

BANKS BASE lending rate cuts, continuing buoyant retail sales and a strong pound were a tonic for trading in London yesterday. The tone of business improved throughout the day to leave a broad range of leading industrial issues to close higher on increased turnover.

The FT Ordinary share index finished

at its high for the day with a 11.2 advance to 937.2.

Fresh demand took longer dated government stocks up to a full point higher. Shorter maturities made only small net improvements, while index-linked issues suffered from views that the Government was following policies designed to reduce the rate of inflation to around 4 per cent

Chief price changes, Page 37; Details, Page 36; Share information service, Pages 34-45

HONG KONG

THE unexpectedly large one percentage point reduction to 7 per cent in Hong Kong's prime rate provided the stimulus for a round of early buying which took shares near their high for the year by midmorning.

But in subsequent, more measured trading, prices eased back and the Hang Seng index finished 24.71 higher on balance at 1,640.49, having been 30 points higher at its best level of the day.

Property companies were among the major beneficiaries of the prime rate cut. Cheung Kong rose 30 cents to HK\$17.20 and Hongkong and Kowloon Wharf 5 cents to HK\$6.40

SINGAPORE

HEAVY SELLING by foreign investors left Singapore in decline for the third consecutive session and the Straits Times industrial index shed 7.23 to

Losses were registered by all the major stock sectors although turnover dipped to a light 9.3m shares. Among actively traded stocks, Promet

eased 2 cents to S\$1.05, while Pahang Consolidated was unchanged at 49 cents and Singapore Press lost 5 cents to

CANADA

A BROAD ADVANCE was registered by stock prices in Toronto as trading got off to a busy start. Among actively traded issues, Rogers

Cablesystems shed C\$\% to C\$14\% as the company began a distribution of 1.5m shares at C\$13.75. Alcan Aluminium put on CS% to

C\$33½, Canadian Pacific C\$¼ to C\$18% and Husky Oil C\$% to C\$9%.

Montreal was led ahead by advances in the industrial, utility and bank indices.

AUSTRALIA

PROFIT-TAKING and a more cautious approach to recent takeover speculation left Sydney lower and the All Ordinaries index at 903.3 was 5.5 down from Friday's record high. Castlemaine Tooheys which advanced

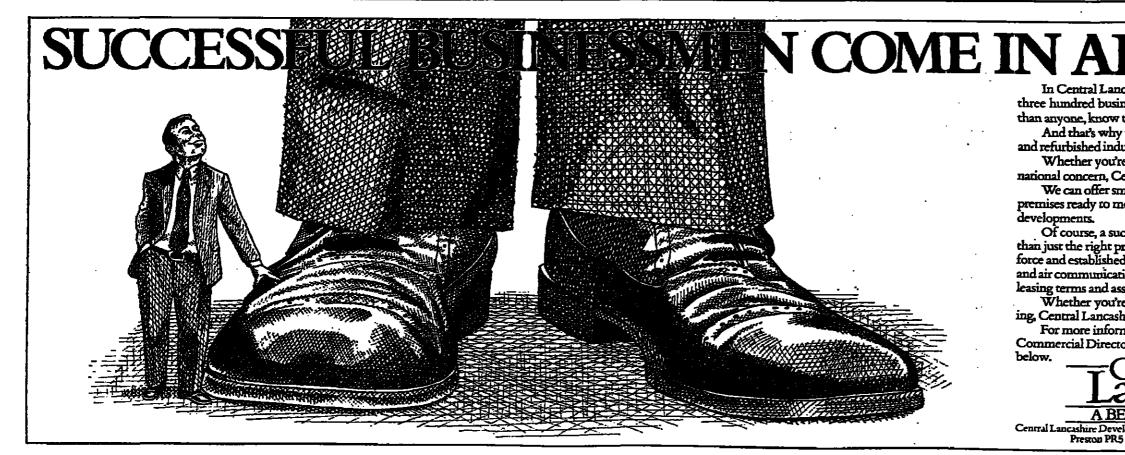
more than 90 cents on Friday, fell back 38 cents to A\$7.36

The firmer local currency provided a further depressant for the mining and resource sectors.

SOUTH AFRICA

GOLD SHARES ended mixed in Johannesburg after a lethargic day's trading. Southvaal managed a 35 cent advance to R80 while South Roodepoort picked up an early 5 cent decline to end unchanged at R3.25.

Rustenburg Platinum attracted some steady buying demand throughout the day, closing 30 cents higher at R15.90.



In Central Lancashire we've already housed more than three hundred businesses on our industrial parks. So we, more than anyone, know that no two companies are the same. And that's why we provide a comprehensive range of new

and refurbished industrial premises for a wide variety of needs. Whether you're just starting up or are already a multi-

national concern, Central Lancashire has something to suit you. We can offer small workshops, nursery factories, large scale premises ready to move into, or superb sites for purpose built developments.

Of course, a successful industrial location needs a lot more than just the right premises. As well as a highly skilled workforce and established markets, you'll also find first class road, rail and air communications. And, what's more, we can offer flexible leasing terms and assistance for your start-up period.

Whether you're just getting started, relocating, or expanding, Central Lancashire is tailor made for you.

For more information telephone Bill McNab FRICS. Commercial Director on Preston 38211. Or write to the address



SECTION III

FINANCIAL TIMES SURVEY

Vansand LightTrucks

Japanese vehicles are making large gains in Europe. aided by a series of co-operation and production deals. Attention in the highly-competitive medium van market now focuses on the Transit's replacement, and the prospects for its many rivals.

Europe's makers face the attack

By Kenneth Gooding 17 are companies scrambling Motor Industry Correspondent

WESTERN EUROPE'S provenicles have been forced to retreat in the face of a determined challenge from the markets. Japanese, who have completely Japanese, who have completely changed the shape of the volkswagen of West Germany industry in the past five years.

Two recent events show just how hard the European backs industry in the past five years.
Two recent events show just how hard the European backs are against the wall.

First, Ford announced it will bring built-up Japanese vehicles into Europe for the first time. These will be vans made by its Then Daimler Benz, that most

chauvinistic West German group, revealed it is to co-operate with Mitsubishi to produce the Japanese group's L-300 series van in Spain for

1.0

1000

 $z \sim 10^{10}$

ACCR13

for the available business. At the start of their cam-paign, in 1980, the Japanese accounted for only 11.8 per cent. of medium van registrations. Last year, after another 2.8 perducers of light commercial centage points gain, they venicles nave been forced to retreat in the face of a deter-

> During the 1980-84 period, VW's share of the sector, where it is represented by the Trans-porter, dropped from 20.2 per cent to 15 per cent. Ford's Transit van in 1980 took 18.5 per cent of available sales; last year it had just 13.5 per cent. As demand for medium vans has also declined over the period, VWs sales dropped from 134,200 in 1980 to around 96,600 last year. Ford's regis-trations slumped from 123,000

to some European and export to 86,000:

Both companies are reacting one of the very few automotive to the European medium van market. Five years ago the five European medium open to Jamana and the five European open to see t

So far Daimler-Benz, the annual 7,000 Vanettes for Spain Mercedes group, has escaped the worst of the Japanese Land Rover Santana, 45-persqueeze—it does not make cent owned by BL's Land Rover small vans because it has no company and ranked third inexpensive car components among the medium commercial available to build into them. But it needs such a vehicle in Spain for Mercedes-Benz Espana, the former MEVOSA group, which is now a 64.2 per cent-owned subsidiary. Hence the arrangement with Mitsubishi. The Japanase vans will be assembled from the end of 1997 at the plant in Vitoria in 1987 at the plant in Vitoria in Northern Spain and the initial output will be an annual 10,000.

Equipped ·

The vans will be equipped with diesel engines from M-B Espana's Barcelona factory and the German company intends to increase capacity at the assembly plant from 24,000 to 29,000 a year by opening up

some bottlenecks.
D-B took control of MEVOSA under pressure from the Spanish government which was determined to get its auto-motive industry into better competitive shape for the time when Spain joins the Common Market-now set for January

And the deal with Mitsubishi makes it almost certain that Japanese vans will make a clean sweep of the available opportunities in Spain.

Nissan has taken control of Mator: Desire the leader in the van market. Five years ago the year Japanese van sales in West Motor Derica the leader in the five European producers shared Germany accelerated from medium van sector and has



25,200 to 33,500 and their penetration soared by 6.7 points, vehicle, the Patrol, and the from 19.4 per cent to 26.1 per vanette van to the Iberica range, Nissan hopes to make an hand. Spain will remain relatively protected because the high tariff barriers it put up in the past to protect its weak looking at other European marindustry will not finally be dismantled until 1993.

The Japanese have their eyes and exchange rates would make particularly on Italy and Japanese imports viable. France, two major markets which practically exclude producers in Spain, has added a Suzuki four-wheel-drive vehicle vehicle imports from Japan. The process has already started—but with the UK as the to its production and launched it on the domestic market at

base. General Motors is buildthe Barcelona Motor Show in May. The Suzuki Jimny coming "European" versions of the Isuzu WFR vans at the Bedford plements the typical Land Rover plant in Britain. The Bedford Midi vans, as they are called, vehicle because it is much recently went on sale in France and Italy through GM's Opel car dealer networks. The Midi and the Mitsubishi the state - owned Spanish group, was about to complete a deal to replace its

old Sava van range with one based on the Isuzu WFR. Then L-300 are vehicles which were little known in Europe until the negotiations started for a much. Japanese began to push their wider association—possibly a sales. The vans are small in takeover—with General Motors, the world's largest automotive payload capacity, up to 800kg.

group and owner of Bedford in Britain

certainly go ahead. Waiting on the sidelines, in case the Americans withdraw, is Toyota,

Japan's largest automotive com-

pany. Toyota is also interested

vehicles before very long.

However, as GM also owns 35 per cent of Isuzu, if the U.S. group does take control of Enasa the van deal will almost Ford says that sales in Europe of these vans jumped from under 10,000 in 1980 to 35,000 in 1983. The sector has become too large to ignore yet not large enough to make the weight development and production of slight." European van worthwhile, Ford suggests.

in acquiring Enasa. So there is no doubt that, one way or Ford's answer it to bring in another, Enasa will be product he Mazda Econovan to fill the ing vans based on Japanese gap in its range between the car-based Fiesta and Escort vans Spain makes an attractive and the Transit. The Japanese base from which the Japanese can tackle other European Community markets with "European Work, Norway and West Germany. The pean" products. On the other vans will be sold at first through Ford car dealers in Denmark,

kets where the potential volume

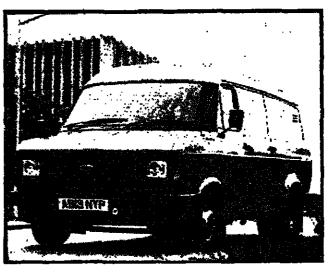
The Japanese first made their presence felt in the European commercial vehicle business with car-based vans and microvans but five years ago moved up to medium vans with higher value. There is some evidence that the process of moving up markflet will continue because the Japanese are now showing interest in the European market for light trucks.

Toyota, Mazda and Isuzu all exhibited trucks, Mitsubishi pre-sented its six-tonne range and Hino showed medium trucks in the 1 Oto 15 tonne class at the Brussels Motor Show in January.

Mr John Lawson, head of DRI Europe's automotive group, says: "This is a development which augurs increasing competition in "entural" countries (those which have no vehicle producers of their own) like Belgium itself, even if the presence in range currently

He predicts that the sixtonne sector is the most likely candidate for greater Japanese penetration in the near term but "Mitsubishi, with assembly operations in Portugal and Holland, and Hino, which re-cently came close to a joint production deal with Britain's ERF, are clearly concerned to

CONTINUED ON PAGE 2



Left: Advance view of Ford's new Transit during trials in Finland, and (above) the familiar van it will replace. The new Transit enters a sector with many challengers

looking at other European mar- Japan's penetration of W. Europe prices charged for rival products purpose-built van market

| (market share %) | | | | | | |
|----------------------|------|------|------|------|------|--------------------|
| ,0, | 1980 | 1981 | 1982 | 1983 | 1984 | †1 9 85 |
| Austria | 12.0 | 23.5 | 22.0 | 27.2 | 27.4 | 24.3 |
| Belgium/Luxembourg | 30.1 | 36.5 | 23.7 | 36.8 | 37.3 | 37.1 |
| Denmark | 33.2 | 35.6 | 37.9 | 47.0 | 58.7 | 53.2 |
| Finland | 44.1 | 53.8 | 60.4 | 66.8 | 68.3 | 64.4 |
| France | 6.7 | 5.5 | 6.1 | 6.4 | 7.7 | 6.5 |
| Ireland | 47.3 | 67.3 | 65.6 | 67.8 | 60.1 | 68.9 |
| Italy | 0 | 0 | 0 | 0 | 0 | 0 |
| Netherlands | 17.5 | 23.2 | 21.5 | 26.9 | 32.4 | 33.5 |
| Norway | 41.4 | 48.7 | 47.0 | 42.6 | 51.1 | 46.0 |
| Portugal | 52.2 | 59.2 | 49.8 | 55.1 | 51.3 | 50.2 |
| Spain | 0 | 0 | Õ | 0 | 0 | 0 |
| Sweden | 19.5 | 18.0 | 22.2 | 24.8 | 29.6 | 29.7 |
| Switzerland | 30.1 | 38.5 | 40.5 | 40.1 | 44.1 | 40.4 |
| UK | 13.2 | 18.8 | 12.0 | 14.6 | 15.2 | 14.0 |
| West Germany | 4.5 | 11.7 | 13.8 | 19.4 | 26.1 | 27.8 |
| Total Western Europe | 11.8 | 16.7 | 16.4 | 18.8 | 21.6 | 21.1 |

† First three quarters. industry sources.

| In this Survey | | |
|----------------|---|-------------------|
| The UK | 2 | Profile: Convesco |
| The U.S. | 2 | Medium size vans |
| West Germany | 3 | Light trucks |
| Italy | 3 | Car-derived vans |
| France | 4 | Four-wheel drive |
| Spain | 4 | Driver's view |
| Japan | 5 | Diesels |
| | | Electric vehicles |

T'S LIKE HAVING EVERY TH GALLON F

Don't be deceived by that familiar Transit bonnet line: beneath it lurks an economic mirade. The first-ever direct injection diesel developed

specially for the medium van. Test drive it, and you'll be so impressed by the way the 2.5 litre Di moves you could well miss what doesn't. The fuel gauge.

THE COMPETITION CAN'T COMPETE Even in mixed driving, semi-laden, Ford calculate a one-tonne Transit Di is capable of 36 mpg.* Over 25,000 miles - less than a year's driving for many "trunking" vans - such miserly thirst makes the Di about £150 cheaper to run than the next best fuel



efficient van on the market. It really is like having every

eighth gallon free.

It's also like having your cake and eating it. So simple is the new engine that it cuts overheads as well as consumption: so efficient is it that all the

familiar drawbacks of diesel van operation are removed at a stroke. MORE POWER FROM LESS FUEL

Gone is the glow-plug, the waiting and wondering about ignition. Gone, too, is the ponderous twostage combustion process of indirect injection, which blows so many unburnt hydrocarbons out through the exhaust and gives diesel its

"smelly" reputation. The development by Ford of "swirl" technology (see diagram) enables faster, more thorough mixing of air with fuel, and their combustion a split-second later in the one place where energy can be translated

directly into output. The piston grown. While the Di sips less than any comparable diesel, it revs more freely and develops maximum torque higher in the power band. At the same time, careful choice of gear ratios means that it drives and accelerates like a petrol engine.

As a result, you feel the benefits in the two places that count most: under your right foot and in your wallet. AWARD-WINNING ECONOMY.

To prove it, we've picked up a Design Council award for an engine that "leads the way in which manufacturers will move in future to improve fuel economy."

> WHAT'S A GARAGE? While the Transit Di is speedy on the road, you'll find that it's no quicker into the garage.

Simple oil and filter changes at 6,000 miles, and major service intervals only at 12,000, make the Di

as cheap to run as it is to fuel. More than £130 million has been invested by Ford in giving the Di its unique blend of economy with performance, so its hardly surprising the others have some

catching up to do. With fuel the price it is, though,

can you afford to wait? *Fuel economy figures are an average of the ELA urban cycle and a constant 56 mph, and both performance and fuel economy are measured and calculated by Ford Motor Company Limited in line with EEC procedure 80 1268-EEC, or manufacturers published figures.

FORD TRANSIT FORD CARES ABOUT QUALITY.



Above: Bedford's 1 tonne Midi van, based on the Isuzu WFR, is already making its mark. Below: The Renault 4 van, for many years Europe's best-selling commercial vehicle

Europe's makers face the attack

CONTINUED FROM PAGE 1

higher weights." Meanwhile, there is no doubt about the most important event

for Europe's light commercial vehicle sector in the near term. Early next year Ford will launch the replacement for its 20-year-old Transit, for much of its life Europe's best-selling

During the past five years the Transit has had to cope not just with Japanse competition. There has also been a stream of desirable new vehicles from its European rivals: the new VW Transporter, the Renault Traffic, Fiat's Ducato, the Peugeot J5, Citroen C25 and Talbot Europess

Talbot Express.

But sales of the Transit have held up relatively well in spite of the in ense competition, thanks to Ford's strong and well-spread dealer network in Europe, Transit output actually rose last year, from 88,000 to 89,200 with the help of Ford's direct-injection diesel, launched

in the van in April, 1984.
Ford has spent well over £200m for highly-automated equipment for its van plants at Southampton in Britain and Southampton in Britain and Genk in Belgium to put the new Transit into production. It should be money well-spent because the company believes the medium van sector will be the fastest-growing in Europe's commercial vehicle market, rising from 641,000 last year to 710,000 in 1990 or possibly—given he right economic circum-

The company also predicts that diesel vans will be 1990 take 85 per cent of the business compared with 55 per cent today and that every market in Europe, bar the UK and West Germany, will switch almost entirely to diesel power.

Europe's light commercial sector was relatively weak last year. Output of vans up to 3.5 tonnes gross weight (including car-based vans which Ford did car-based vans which Ford did not include in the previously-mentioned forecast) fell last year to 770,000 in the five major production countries (France, Italy, the Netherlands, West Germany and the UK). This was a 6.7 per cent fail from the \$2,000 for 1983.

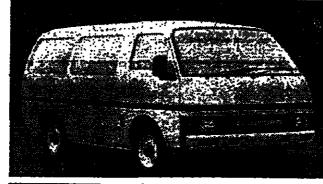
DRI Europe forecasts a recovery to \$13,000 this year and then a steady climb to 878,000 by 1990.

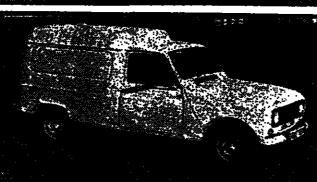
Forecasters

Production of light and medium rigid trucks (3.5 to 14.9 tonnes gross weight) was also depressed in 1984 at 150,700 against 157,000 the previous year. DRI reckons that output this year will be about 156,000, rising to 169,500 by 1990.

The forecasters feel that for the foreseeable future light commercial vehicle output in Europe will not return to the 1980 level. In that year the Europeans produced 979,300 vans of up to 3.5 tonnes weight and 245,400 light and medium

But then came the Japanese





Market shares in Western Europe

| | 1980 | 1981 | 1982 | 1983 | 1984 |
|--------------------|-------|-------|-------|-------|------------|
| Light CVs (000) | 353.6 | 348.2 | 396.8 | 434.8 | 418.8 |
| Renault | 34.6 | 36.7 | 36.3 | 33.3 | 30.1 |
| Peugeot Group | 25.2 | 22.9 | 20.2 | 17.2 | 16.2 |
| Јарацезе | 5.4 | 8.2 | 10.1 | 10.8 | 11.4 |
| Flat | 19.0 | 10.6 | 9.7 | 10.0 | 11.1 |
| Ford | 4.6 | 3.5 | 4.I | 4.9 | 6.5 |
| General Motors | 4.6 | 3.5 | 4.1 | 4.9 | 6.5 |
| Seat | 0.5 | 0.6 | 1.8 | 4.7 | 5.4 |
| BL | 7.9 | 5.8 | 5.2 | 6.1 | 4.7 |
| VW (VAG) | 1.0 | 2.1 | 2.8 | 4.0 | 3.8 |
| Other source | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 |
| Medium CVs ('000) | 664.6 | 643.9 | 637.5 | 651.6 | 641.2 |
| Japanese | 11.8 | 16.7 | 16.4 | 18.5 | 21.6 |
| VW (VAG) | 20.2 | 19.5 | 17.2 | 16.3 | 14.9 |
| Ford | 18.5 | 14.8 | 18.0 | 14.3 | 13.4 |
| Pengeot Group | 11.1 | 9.1 | 10.5 | 9.8 | 9.2 |
| | 6,4 | 5.8 | 7.9 | 8.9 | 9.2 |
| Renault Group | 3.2 | 8.5 | 8.6 | 8.6 | 3.3 8.7 |
| | 8.8 | 9.1 | 9.1 | 8.6 | 8.6 |
| Mercedes | 4.3 | 3.7 | | | |
| BL | | | 3.6 | 4.5 | 4.5 |
| General Motors | 6.8 | 6.2 | 4.6 | 3.6 | 3.6 |
| Mtr. Iberica | 1.9 | 1.7 | 1.5 | 1.8 | 1.9 |
| Lada Niva | 1.4 | 9.9 | īī | 1.3 | 1.2 |
| Land Rover Santana | 1.3 | 1.3 | 1.1 | 0.6 | _ |

The UK'S production

| • | Car-deri pet 1983 | ived van rol 1984 | Car-deri dies 1983 | | | el van troi 1984 | | el van esel 1984 | Light pei 1983 | truck Irol 1984 | | t truck iesel 191 |
|--------------------------|----------------------------|---------------------------|--------------------------|----------------|----------------------------|----------------------------|--------------------------|--------------------------|----------------------|-----------------------|-------------------------|-------------------------|
| BL Ford GM Bedford | 25,145 21,230 10,920 | 18,040 25,880 9,275 | 4,460 | 2,855 6,635 | 35,085 47,265 11,835 | 25,870 38,495 10,003 | 13,180 9,545 5,195 | 16,415 9,925 5,715 | <u>=</u> | 400 | 1,300 6,260 3,150 | 1,86 7,43 3,33 |
| PSARenault TITotal | 57,300 | 53,192 | 4,460 | 9,490 | 170 94,355 | 139 74,505 | 2,495 30,410 | 2,620 34,675 | 700 | 400 | 2,725 13,440 | 2,7 15,2 |

All eyes on the new Transit

The UK JOHN GRIFFITHS

THE current state of the UK medium van market could be compared to that of a mediaeval country facing a change of sovereign. The undisputed king sovereign. The undisputed king for 20 years, though far from dead, is fading and in not many months will be gone. Parts of the kingdom are being picked off by would-be usurpers. But amid all their warrings, they keep glancing uneasily to the South from where the king's South, from where the king's heir will rise. . . .

South lies Southampton, where Ford has invested £74m in sophisticated new facilities to produce the successor to the Transit, currently code-named

Throughout much of its life, Throughout much of its life, the Transit had been not only the UK's single best-selling commercial vehicle, but Europe's as well. With considerable help from the economical 2.5 litre directly-injected diesel engine added to the Transit's specification last year (a project which in itself cost Ford \$198m), it has retained clear market leader-ship in the UK ahead of main Freight Rover and

Almost certaintly, that will remain the case until its succesname - is launched early next agreement"

But not even Ford's much-admired marketing abilities have been able to prevent a vehicle which once accounted for approaching half the sales in its market sectors from begin-

ning to slip back. In 1983, the Transit bad a 29.9 per cent share of the market for vans of between 1.8 and 2.5 tonnes gross vehicle weight, and larger versions 47.3 per cent of the 2-3.5 tonnes sector. Last year, the Transit last headly and ground in the lost hardly any ground in the lighter sector (28.7 per cent), but the heavier vans fell back to 43.3 per cent.

In the first five months of this year overall, the lighter Transit's share has actually increased slightly — but the 29.3 per cent figure shrouds a plunge to about 25 per cent in both April and May. The larger van's share in the first five months dipped to 40.8 per cent, and to 34.7 per cent in May.

This has taken place, according to some of its rivals, despite Ford, with Renault being among the most active in the market in terms of promotional activities.

tional activities.

The Transit has had to cope The Transit has had to cope not just with advancing age, but with the crowding into the UK marketplace during the past three or four years of an unprecedented number of new rivals. The threat from Japanese producers has been nowhere near as intense as in other European markets because of the pean markets, because of the Angio-Japanese "gentlemen's

the

Japanese share of the medium of a car.

vans sector to a maximum of 11 Mr George Simpson, managing vans sector to a maximum of 11 per cent

But apart from a revitalised Freight Rover (BL's specialist vannaking subsidiary), the Transit has been facing opposi-tion from Volkswagen's Transporter, Renault's Trafic/Master, the Express range from Talbot; the Ducato from Fiat, Peugeot J5, Citroen C25 and a wide range from Mercedes.

Meanwhile, the CF van produced by Bedford, General Motors' UK commercial vehicles arm, is now being complemented by a new 1-tonne van, the Midi (based on Isuzu of Japan's WFR) which, though smaller, already shows signs of stealing sales in the traditional medium ways sector. medium vans sector.

None of Ford's rivals is under

any illusions, however, about the severity of the challenge they will face from the new Transit from early next year. Indicative of Ford's view on the subject is that whereas it built 89,200 Transits last year, it is creating capacity for 135,000 of the new

It expects 80 per cent of pro-duction to be diesel, in line with its view that diesels will capture virtually the entire European market for medium vans by the end of the decade.
Its direct injection unit, a
"world first" for a medium van,
has a roughly 15 per cent fuel
economy advantage over conventional, indirectly-injected diesels. And it has an aerodynamic shape rumoured to slip

director of Freight Rover, ack-nowledges it as representing every formidable competition... but companies like Freight Rover will each respond in their

own way."

In Freight Rover's case, that will mean a number of specification changes to its Sherpa ranges this year, aimed at maintaining the rapid progress the company has made since it came close to

the rapid progress the company has made since it came close to being shut down in 1981.

In that year, Freight Rover produced 9,000 vans and had a sector market share of just over 8 per cent. This year, with half the 1981 workforce, it expects to produce about 20,000. Over the past ten to 11 months, Mr Simpson points out, it has been taking about 14 per cent.

A significant contribution has been made by the 210, a larger, wide-bodies version of the Sherpa which extended Freight Rover's market coverage upwards into the 2.8-3.5 tonnes sector. The sector has become an increasingly important one, growing from 28,000 units a year in 1981 to, predicts Mr Simpson, 47,000 units this year.

The growth, he suggests, is partly the result of former operators of light trucks becoming more aware of the carrying

operators of light trucks becoming more aware of the carrying capacity of the larger vans and the advantages of not needing an operator's licence up to the 3.5 tonne break-point.

Equally, operators who used to run two smaller vans, he suggests, are finding that they can often meet their requirements with a single large van.

ments with a single large van.

The new Nissan diesels

Examine the case for a new Nissan diesel and you'll soon reach your verdict. Like all Nissan commercials they're superbly designed and engineered for reliable, durable service. They're fully specified too, with

high levels of equipment as standard. It all adds up to such excellent value for money, it will laugh the competition right out of court.

The Cabstar Diesel really does mean business. The

advanced 2488cc OHV engine delivers 72 bhp at 4,000 rpm for plenty of load pulling power for payloads up to 1855 kg. Equipment includes ● 5 Speed gearbox

 Spacious load platform 10 ft. x 5 ft. Folding sides and tailgate ● Powerful heating/Ventilation system ● Push button radio • Laminated windscreen

Double passenger seat



..an open and shut case.

The Urvan Diesel performs reliably and economically in the most demanding work conditions. The new 2289cc OHV engine produces 67 bhp at 4,000 rpm for effortless load pulling of payloads up to 1250 kg. Standard features include ● 5 Speed gearbox ● Push button radio ■ Two speed wipers ■ Power

assisted front disc brakes Heavy duty suspension Large sliding side door and a wide high lift tailgate for easy access to a cargo area 10ft long by 5ft wide with a corrugated floor for



The new Cabstar and Urvan diesels. The choice is yours.

See the evidence at your local Nissan dealer now.



extra strength.











£6168

ALL PRICES QUOTED ARE EXCLUSIVE OF VAT, DELIVERY, NUMBER PLATES AND ROAD FUND LICENCE. NISSAN UK LTD., NISSAN HOUSE, WORTHING, SUSSEX BNL3 3HD. TEL: (0903) 6856L

Stylists meet family demand for vans

The U.S.

TERRY DODSWORTH

YOUNG, urban professionals, the so-called "yuppies," who are reviled as the "briefcase class' yet slavishly pursued by every marketing executive in the U.S., have some strangely

According to a new study, they now account for more than half of the small van and mini-van market in the U.S., two of the fastest-growing market sectors in America's commercial vehicle category.

The study, commissioned by Newsweek magazine, shows that pickups and vans have broken away decisively from their tra-ditional market base as workborse vehicles bought primarily for business purposes. The majority of buyers are from middle-income groups earning about £35,000 a year. Most are college-educated and a signifi-cant number use their yans as the primary household vehicle. Many go to work in them as well.

Remodelled

None of this would have happened without a classic demonstration of supply-side economics—the creation of a market by U.S. manufacturers who developed a range of new products that look very dif-ferent from their predecessors. These remodelled vehicles cover these remodelled vehicles cover the full gamut of the market, from robust, but modishly-styled pickups such as the Ford Ranger and Chevrolet S-10, to the re-designed Jeep range and the growing cluster of minivans. The combined effect of the renewed interest in these light ronmercials was to mush sales renewed interest in these light commercials was to push sales of vehicles in the class 1-3 categories (weighing up to 14,000 lbs, or seven U.S. tonnes) to a record 3.9m units. This total was the highest since 1979, when the industry registered 3.3m sales in these sectors, and just 1m more than in 1984.

Most companies did well with

Most companies did well with their light conventional trucks, which provide the mainstay of the market. But the most lively action was in the newly-promoted market sectors, such as the compact (ie small) pickas the compact (ie small) pickups, the compact sport utility
vehicles (van-shaped models
with full windows like a car),
or the compact passenger vans.
In the minivan sector,
for example, Chrysler's early
success with what was regarded
as a daring gamble at the beginning of 1984, has led to booming sales and a market which
has grown from nothing to well
over 200,000 vehicles last year.
The vast majority of those
sales were provided by Chrysler
itself, with its Caravan and
Voyager models, although
Toyota sold 34,000 of its imported version. Significantly,
about 76 per cent of respondents to the Newsweek questionnaire said they had bought ona
of the Chrysler versions.

No one in the U.S. ever has renewed vigour over the last the monopoly of a good idea 18 months. Sales practically for long, and both General doubled last year, to 140,000 Motors and Ford are now units, and in the first four moving in on Chrysler's patch with minivan vehicles of their months of this year were runwith minivan vehicles of their ning comfortably ahead of last own. GM's Astro, competitively year's performance.
priced against the \$9,000 The other big newcomer to
Chrysler products, which have U.S. production was Nissan, the

its larger competitor with its own Aerostar, an extremely slickly - styled aerodynamic

Compact pickups produced just as bright a performance last year, as the domestic manufacturers increased their sales from 427,000 units to 547,000, and the importers from 462,000 to 579,000.

This has been a flercely competitive market since its development as part of the Californian beach cult but it is now beginning to take second place in the growth stakes to the compact sport utility vehicles, where the U.S. pro-ducers and the importers are fighting another fierce battle—

with the domestic manufacturers well in the lead for once. The key products here are the Blazer range from GM, the Ford Bronco 11, and American Motors' Cherokee and Wagoneer XJ vehicles. Sales overall soared last year to 429,000 units from 247,000 in the previous year. the sort of growth rate that produce fat marging for manufacturer; trying to keep pace with demand.

with demand.

GM has scored particularly heavily in this market, with sales of its Chevrolet Blazer "S" jumping from 80,000 to 140,000, and of its Jimmy "S" from 15,000 to 33,000. But American Motors, the U.S. affiliate of Renault has experienced an equally sharp growth curve with its new Cherokee XJ range, which came from virtually nothing in 1983 to virtually nothing in 1983 to sales of 56.000 last year. Indeed, the Jeep division of American Motors, which makes the Cherokee along with a variety of derivatives of the traditional Jeep range, has suddenly shown signs of

been going at a premium over Japanese company, which in their sticker price, is now on 1984 had its first full year of the market.

Ford looks as though at will structed Smyrna plant in be at least six months behind Tennessee. Nissan's pickup sales tinuing to grow this year.

So far this year, sales in hte continuing well ahead of 1984, with total registrations reaching 1.4m against 1.1m to the end of April. Manufacturers are expecting the pace to slow a little in the second half, and for the year as a whole are forecasting a market only slightly up on last year's at 3.8m units.

Hybrid

After that, they expect a dip in 1986 and then a continuation of strong growth for the light van market, which appears to be emerging as a hybrid between the formerly distinct commercial vehicle and car markets.

The driving force in the development of this new sector, say the marketing men is the need of many families for yehicles that combine the traditional comfort of a saloon with the versatility and carrying capacity of a small truck or pickup,

Perhaps the key to this

change lies in the attention the stylists have given to these sort of vehicles for the first time. They have come up with products that appeal to women as much as men, and therefore much as men, and therefore have a broader attraction to the average household.

Revealingly enough, Jeep has found that 40 per cent of its drivers today are women, and with more and more women now taking to the roads, the reliability of these vehicles, which often have four-wheel-drive as well, counts heavily in the showmon's

U.S. sales by sector

| | 1983 | 1984 |
|-------------------------|-----------|-----------|
| Light conventional | 1.065.350 | 1,268,550 |
| Compact domestic pickup | 427.209 | 547,650 |
| Compact import pickup | 461.900 | 578.585 |
| Specialty pickup | 43.765 | 39,630 |
| Standard sport utility | 106.950 | 131,565 |
| Compact sport utility | 247,450 | 429,240 |
| Standard van | 428,145 | 445,990 |
| Compact van | 18 | 27.450 |
| Standard passenger van | 103,630 | 111.820 |
| Compact passenger van | 16.260 | 202,350 |
| Truck station wagon | 67,678 | 86,055 |
| Total light duty | 2,968,425 | 2,877,680 |

Manufacturers enlist Japan's product strengths

West Germany JOHN DAYIES

"WHY SHOULD we leave the market to the Japanese without a fight?" Such questions have been confronting motor vehicle executives as competition from Japan and sluggish economic trends have added to pressures in the West German market for smaller commercial vehicles.
As part of its strategy in the

face of this challenge, Ford has decided there are advantages in turning to Jepan itself to exploit Japanese strengths in the small Japanese strengths in the small van sector of the commercial vehicle market. As a result, Ford is currently preparing for its West German launching of the Econovan, made by Mazia, its Japanese associate, in which it has a 25 per cent stake. The van, with a payload of up to 800 kg, will fill a gap between the car-derived Ford

between the car-derived Ford Fiesta Express and Ford Escort Express on the one hand and the Transit vans and trans-porters on the other. But Ford took the view that it would not be economical to develop and build such a van just for

THE STATE OF THE S

muly

ans

include Forther programme Arthur

(| R (i)

Norway and Denmark. Import restrictions prevent it being sold in the UK, France or Italy, the company points out.

The van will be one of the array of vehicles launched by

manufacturers at the Frankfurt Show in September. Ford's plans envisage sales of about 3,500 a year in West Germany and perhaps 1,000 a year in Norway and Denmark combined. that its share of the total West German market for light- and medium - weight commercial vehicles has slipped from a peak of 15.5 per cent in 1979 to 9 per cent in 1983 and 8.5

per cent last year. The Transits, in their particular sector of the market, had an 8.8 per cent share last year, compared with 9.3 per cent in 1988.

The combination of a sluggish market and market market and more intense com-petition. hit Volkswagen's commercial vehicle operations severely in recent years, with production and market share in West Germany coming under pressure.

Output of VW's Type 2 transporters at its Hanover plant declined from 217,875 in 1980 to 155,500 in 1983 but the be economical to develop and to 155,500 an 1983 but the build such a van just for decline was halted last year. The Econovan is already being offered, with either a Mazda or Ford badge, in Japan, Australia, New Zealand, Malaysia and some other markets. It is to be offered, only under the market is still fairly fat, VW has been finding a regimal in the state of the larger LT transporters has fallen from 34,385 in 1980 to 20,980 last year.

Although the West German market is still fairly fat, VW has been finding a regimal in has been finding a revival in

| W. Germany's | produ | ction | | | | | | | | • | | |
|--------------|--|-------|-------|------------------|--------|---------------------|---------------|--------------------|------|-----------------------|--------|--------|
| _ | Car-derived van Car-derived petrol diesel | | | Pane pei | - · | Panel van diesel | | Light truck petrol | | Light truck diesel | | |
| | 1983 | 1984 | 1983 | 198 1 | 1983 | 1984 | 1983 | 198 1 | 1983 | 1984 | 1983 | 198 |
| Daimler-Benz | | _ | _ | | 3,960 | — . | 44,530 | _ | - | _ | 16,550 | 20,796 |
| Ford | 26,160 | _ | | 10 | | | | _ | | _ | | |
| GM Opel | 11,180 | _ | 5.410 | 9,320 | _ | _ | | | | _ | | _ |
| Iveco | · | _ | - | | | _ | | _ | | - | 855 | 490 |
| VW-MAN | 3,800 | _ | 1,895 | 6,855 | 77,120 | _ | 57.055 | _ | 140 | | 2,645 | 2,350 |
| Total | 41,140 | _ | 7,305 | 16,190 | 81,080 | _ | 101,590 | _ | 140 | _ | 20,050 | 23,63 |
| Source: PRS. | | | | | | | | | | | | |

| | Car-derived van petrol | | petrol diesel | | | Panel van petrol | | Panel van diesel | | Light truck diesel | |
|------------|---------------------------|------------------|---------------|------|--------|---------------------|--------|---------------------|--------|-----------------------|--|
| | 1983 | 198 1 | 1983 | 1984 | 1983 | 1984 | 1983 | 198 <u>4</u> | 1983 | 1984 | |
| Alfa Romeo | | _ | | | 12,278 | 11,084 | 706 | 1,257 | 50 | 27 | |
| Fiat-Iveco | 6,775 | 5,548 | 950 | 740 | 428 | _ | 34,126 | 31,516 | 20,294 | 18,520 | |
| Sevel | | _ | | _ | - | _ | - | _ | _ | _ | |
| PSA | | _ | | _ | 15,607 | 11,10 9 | 20,309 | 21,054 | | | |
| Fiat | | _ | | _ | 6,282 | 6,796 | 29,619 | 24,471 | | _ | |
| Total | 6,775 | 5,548 | 950 | 740 | 34,595 | 28,989 | 81,760 | 78,298 | 20,344 | 18,547 | |

Yugoslav market and export in 1980. After slipping to markets. In West Germany, the 44,795 in 1982, output has been Caddy has not lived up to moving up again, reaching original expectations and VW 46,510 in 1983 and 46,850 last has been endeavouring to year.

has been endeavouring to heighten the market's awareness of the Caddy's potential.

Daimler-Benz is taking steps to modernise the range of light transporters being produced by Mercedes-Benz Eespana, its majority-owned subsidiary in Spain. The vehicles, with payloads between 850 kg and 1,800 kg are sold in Spain and 1,800 kg are sold in Spa

The company is also joining Misubishi of Japan in developing a new lightweight model based on the Japanese manufacturer's L300. The vehicle, with a payload of up to 800 kg, will backing from General round out the model range in Moters of the IIS. GV has round out the model range in the lighter market sector. The jointly-developed model

is due to go into production in Spain by the end of 1987 and initial outpt of 10,000 a year is envisaged. Daimler-Benz says the vehicle

is to be marketed in Spain and in "some export markets in Europe and North Africa."

tively well in the difficult markets in recent years, while VW has borne more of the brunt of Japanese pressure. In the small van sector Japan's share has doubled in the past

market, Isuzu has received useful backing from General Motors of the U.S. GM has paved the way for its Japanese associate through dealers who also act for Opel, GM's Russelsheim-based car subsidiary.
Overall, the West German
market for vans and light trucks

New registrations of goodscarrying vehicles of up to 2 tonnes gross weight fell to built in Tunisia. The factory, with D'Ieteren, the Belgian VW due to start up in mid-1987, will and Audi importer, which has also assemble Golf and Jetta the advantage of traditionally passenger cars. This project, which has VW's support, is actually a joint venture of local Tunisian businessmen, development banks and the VW and Audi importers in Tunisia and Tunisia Tunisia and Tunisia Tunis



Foreign makers fight back

Italy

JAMES BUXTON

FOR THE PAST few weeks the Italian media have been jammed with advertisements for one thing—foreign-made vans. The different foreign manufacturers of commercial vehicles are, in their separate ways, assaulting the pre-dominance of Fiat Auto in the vans and light trucks market.

Flat Auto has an even bigger share of the domestic market for vans than it has of the car market. Its share went up from 40.4 per cent in 1981 to 53.2 per cent in 1983. But by last year it had peaked: the Turin-based company took 52.8 per cent of a market that was in fact fractionally smaller—at 96.575 fractionally smaller—at 96,575 vehicles—than that of the year before. This year Fiat Auto reckons it is holding its

The main reason for Flat Auto's success in the Italian van market is the Ducato, a 1.3 tonne vehicle which Flat introduced in late 1981. The Ducate immediately doubled the company's share of this sector—it went up from 26.7 per cent in 1981 to 56 per

cent last year. The Ducato range consists of smart modern vans and light trucks which are pro-duced to a standard of finish usually associated with cars.
The Ducato is made in a
highly-automated plant at Val
di Sangro on the Adriatic coast near Pescara, in a joint venture with the French PSA group. The van is marketed in France with Citroen, Peugeot and Talbot badges.

With the Ducato, Fiat filled a serious gap in its product range—which lacked a diesel van in this sector of the market, despite the fact that diesel fuel in Italy is one third cheaper than petrol.

The Ducato took market share away from Ford (with its Transit), as well as Benault, Bedford and Ley-

Now the foreign manufac-turers are fighting back. Flat does not at this stage feel very worried—the company argues that when you reach the level of market penetra-tion it had achieved in 1983 you can hardly expect to in-crease it, especially as com-petitors bring out new models.

But Ford is pushing its new Transit as a direct competitor to the Ducato, and Redford, Workswagen and Are advertising to promote their

And in the smaller sector of the market—that for 500kg vans—the near saturation achieved by the box-like Fiat Florino is now being challenged. Citroen has launched its C15 and Ford has put in the Escort. The result is that Fint Auto's share, which last year slipped to 86 per cent from 87.6 per cent of the year before, is now down to about 81 per cent, on the basis of Flat's own estimates for the first few months of this year. And in the smaller sector this year.

In the sector for larger vehicles—those between 1.5 and 1.8 townes—Flat Auto has to confront competition from the Fiat group itself. The Fiat 242 is similar in appearance to the Daily and Grinta vans (in the 1.5 to 2.5 tonnes range) produced by Iveco, Flat's commercial vehicles

Choose

The Grinta/Daily range is stronger and many people choosing between it and the older petrol-engined Fiat 242 are inclined to go for the more powerful vehicle. The Fiat 252's share of its sector has desired to should be a has declined to about 14 per cent in 1984, compared with 23.5 per cent in 1981.

The Daily/Grinta range, on the Dany/Grinta range, on the other hand, has gradually pushed up its market share from 49 per cent of its sector in 1984 to an estimated 54 per cent this year, thanks in part to the introduction of a turbo-charged model.

Out of the 96,575 com-mercial vehicles sold in Italy last year, almost 51.000 were Flats and a further 12,500 were Ivecos. Ford had the next biggest market share with 10.8 per cent of the market, Renault 7.2 per cent, Volkswagen 5.8 per cent, General Motors (which includes Bedford) 4.2 per cent. Leyland sold only 81 vans, winning just 0.1 per cent of the market.

On the European scale, Fiat has pushed its market share up from 8.8 per cent in 1983 to 10.1 per cent last year —in the seven major Euro-pean countries: Belgium, France, Germany, Italy, Holland, UK, Switzerland and Austria. The credit is given mainly to the Ducato which sells particularly well in West Germany. In France, of course, Fiat is represented only by the Fiorino.

The market share figures put Fiat in fifth place in the European market — behind Renault, Ford, Volkswagen and the Japanese manufac-





Easier

Open wide and say 'Ah-ha! Now that's what I call a loadspace. The Maestro's 85.8 cubic feet gives it an appreciable 6 cubic feet advantage over its nearest competitor. And a massive 19 cubic feet!

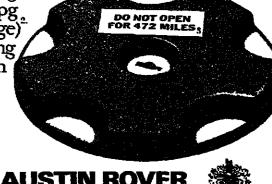
over its only other serious rival. On payload too it's way ahead. 150 kg more than its nearest com-

Further

Whatever you use them for, the new Maestro vans will always deliver economy. With a bigger 12 gallon tank that cuts down the fuel stops, the Maestro returns outstanding

petitor to be exact.

performance figures: pushing 40 mpg (composite average) whether it's nipping around town or on a long haul across



AUSTIN ROVER



THE MAESTRO VAN. NOW WE'RE MOTOR

2. Manufacturer's economy figures under half payload: Maestro 500 High Compression: Simulated Urban Cycle 35.2mpg, Steady 55mph; 45.7mpg, Steady 75mph; 32.3mpg, Composite average calculated by combining 40% of the Urban cycle mpg, 50% of the steady 55mph mpg and 10% of the steady 75mph mpg figures. 3. Based on composite average for Maestro 500 High Compression 39.4mpg x 12 gallons = 472.8 mile range. NATIONWIDE CAR RENTALS RESERVATIONS THEOUGH BRITISH CAR RENTAL Tel: 0208-77223.

In a Maestro van he'll have 'an extremely attractive

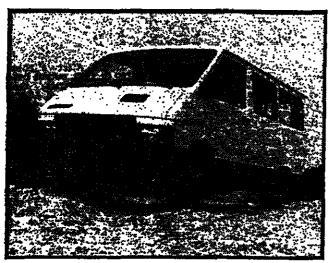
say all those nice things.

'Commercial Motor' did.

working environment' with a 'well thought-out interior,'

forward visibility that's first-class,'
'light and precise' steering, firm and
positive' braking and 'an extremely

comfortable ride. And we didn't



The Renault Trafic in its 4 x 4 version. Renault's Trafic and Master ranges have made significant inroads into the UK

| France's produ | ction | | | | | | | | | | | |
|--|--|------------------------------|-------------------------------------|--|----------------------------|--|--|--|--------------------------|----------------------------|----------------------------|-------------------------------------|
| _ | Car-derive petro 1983 | | Car-deri die 1983 | | | l van trol 1984 | | el van esel 1984 | | truck trol 1984 | | track esel 1984 |
| PSA Renault Total | 75,845 (137,835 10 | 64,325 .00,395 .64,720 | 21,575 8,535 30,110 | 29,47 0 14,635 44,105 | 12,600 29,355 41,955 | 9,965 27,875 37,840 | 18,280 30,370 48,650 | 16,630 36,125 52,755 | 1 | Ξ | 3,31 0 3,310 | 2,315 2,315 |
| Source: PRS, | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Spain's produc | tion | | | | | | | | | | | |
| Spain's produc | tion | | Car-deri pet | rol | Car-deri | el | pe | el van trol | địc | el van esel | | esel |
| Spain's produc | | | | | | | | | đic 1983 | | 1983 | |
| CAF | | | pet | rol | dies | el | pe | trol 1984 — | die 1983 | esel 1984 — | 1983 — | 1984 — |
| CAFDaimler-Benz | | | pet | rol | dies | el | pe | trol 1984 — | 1983 8,222 | esel 1984 — 7,740 | 1983 915 | :sel 1984 335 |
| CAF Daimler-Benz ENASA | | | 1983 — | 1984 — | dies | el | pe | trol 1984 — | die 1983 | esel 1984 — | 1983 — | 1984 — |
| CAF Daimler-Benz ENASA Ford | ······································ | | pet | rol | die: 1983 | 1984 ———————————————————————————————————— | pe | trol 1984 — — | 8,222 3,679 | 7,740 3,365 | 915 165 | 235 1984 335 105 |
| CAF | | ******** | pet 1983 — — 5,885 | 7,100 | dies | 1984 ———————————————————————————————————— | 1983 — — — | trol 1984 — | 1983 8,222 | esel 1984 — 7,740 | 1983 915 | :sel 1984 335 |
| CAF Daimler-Benz ENASA Ford Nissan PSA | | | pet 1983 — 5,885 20,685 | 7,100 | die: 1983 | 1984 ———————————————————————————————————— | 1983 — — — — — — — — — — — — — — — — — — — | trol 1984 — — | 8,222 3,679 | 7,740 3,365 | 915 165 | 235 1984 335 105 |
| CAF Daimler-Benz ENASA Ford Nissan PSA Renault | | | pet 1983 — — 5,885 | 7,100 17,570 24,905 | die: 1983 | 1984 ———————————————————————————————————— | 1983 — — — — — — — | 1984 ———————————————————————————————————— | 8,222 2,679 13,978 | 7,740 3,365 15,040 | 915 165 2,680 | 1984 1984 335 105 1,555 |
| CAF | | | pet 1983 — 5,885 20,685 | 7,100 | die: 1983 | 1984 ———————————————————————————————————— | 1983 — — — — — — — — — — — — — — — — — — — | trol 1984 — — | 8,222 3,679 | 7,740 3,365 | 915 165 | 235 1984 335 105 |

Japan connection brightens gloomy outlook

Spain DAYID WHITE

MORE THAN ever, Japan is the buzz word for people in Spain's vans and light trucks sector. Mercedes Benz Espana found a Japanese partner and Eansa wished it had one. Motor Iberica, the country's biggest producer, thanked its lucky stars that it had Nissan to fall

The outlook for the sector in Spain continues to be un-is down and losses are up. The remittingly gloomy. Production Japanese lifeline has become

something of a talisman. Nobody knows this better than Sr Juan Echevarria, chairman of Motor Iberica. He told its annual meeting last month that business was "frankly un-favourable on the economic front." Sr Echevarria then pro-

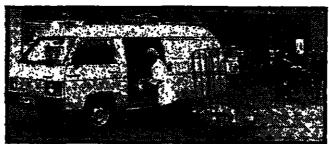
the apalling burden. The Japanese have injected some \$125m into the company during the past 12 months through new share issues and convertible bonds. The investment figure for the past year repre-sents three times the initial outlay by Nissan in Motor

Nissan started with a 36 per cent stake in the Spanish company which it acquired in 1980 from Massey-Ferguson. At present the Japanese giant owns 87 per cent of Motor Iberica, a company which remains Spain's biggest vans and light truck producer as and light trucks producers as well as the sector's heaviest loser.

Nissan is taking a long-term et on its four-wheel drive vehicle, the Patrol, and on the Vanette, both of them produced with exports in mind by tions centre.

Motor Iberica. The future involves the progressive introduction of all-Nissan technology

Mercedes Benz Espana but it chequered year so far for the duction of all-Nissan technology



The Mitsubishi L-300 van which is to be built in Spain by

of 25.9 per cent by the Saudi vehicles, more than on envious holding, the Overseas Lending glance has been cast by Enasa Corporation, has plants in the direction of Motor Vitoria as well as Barcelona which is Motor Iberica's operations centre.

Spania The Spanish state-owned company is currently belding to Parasita Tourist.

its annual meeting last month that business was "frankly un favourable on the economic front." Sr Echevarria then proceeded to extol the support the company had received from Nissan.

For the second year running Motor Derica's losses were nearly double those of the previous year. In 1983 they had to first the process of a process of the production total for van was 10.2 per cent down on the 1983 output and in light trucks in your year.

Gamely Nissan shouldered

In the light fraction of all-Nissan technology and wants to retain the production of all-Nissan technology and duction of all-Nissan technology and wants to retain the production of all-Nissan technology and duction of all-Nissan technology and all the choices and an account in proposed design cars in Europe.

The Tailsann theme proved make any significant introds any significant introds the treast company and the U.S. colossus initialled an agreement with Mistable any significant introde any significant introde any significant introde any significant introde the fers and constant loser the duction of all-Nissan technology and exists of outside special constant loser and constant lo

their hopes for a lasting partnership.

The guiding principle in the Spanish public sector group is that its automotive division can survive only if it has majority foreign partners. Thus INI is seeking to officed its car producer Seat on to Volkswagen of West Germany. In both the car and the truck divisions it is a question of replacing erstwhile partners—Fiat in the case of Seat and International Harvester in the case of Emasa.

However, Enasa is by all has in fact begin to rio what all

where lasting relationships are concerned. The Spanish company is proud of its Pegaso technology and wants to retain

by the Spanlards. INI and Enasa executives have accordingly kept up a scarcely discreet filtration with Toyota to cover their bets and keep slive their hopes for a lasting partnership.

Togother the company's work force down by 3,000 to 3,600.

However, production figures, which were up in 1983 against crover their bets and keep slive their hopes for a lasting partnership.

However, Enasa is by all has in fact begin to do what all accounts something of a handful Spanish loss-making companies where lasting relationships are have done down the years: it concerned. The Spanish company has made a straight appeal to party is proud of its Pegaso the Spanish Government for soft term state loans to help balance out the massive capital injections it is making in Motor

Tax incentives boost sector

tor despite the stowdown in

However, registrations also I last year in the French van and light vehicle market by 8.8 per cent compared with the year before, with registrations totaling 315,827 small vehicles in 1984 against 348,318 in 1983. But French carmakers nonetheless found life somewhat easier in this market sector than in the passenger car market.
This was especially true for Renault, the large state-owned

car group now experiencing serious financial difficulties having reported record losses of FFr 12.55bn (\$1.35n) for 1984. FFr 12.55bn (\$1.5bn) for 1984. Renault is now involved in a draconian restructuring programme under its new chairman, M Georgies Besse, involving, among other key espects, a reduction of 21,000 people in the group's domestic car division by the end of next year and a cut in a realization. a cut in overall car production to 1.5m a year from more than

the domestic car market drop from 38.9 per cent in 1981 to

the domestic car market drop from 38.9 per cent last year. However, in the light vans sector, Renault's decline has been less pronounced with its domestic market penetration tailing from 48.2 per cent in 1981 to 45.3 per cent ist year. But the state group's market share has continued to fall during the first four mombs of this year to 39.3 per cent of the domestic light van and truck market.

The erosion of Renault's dominant position in France in this sector reflects the inroads made by its domestic rival, Peugeot, Talbot and Citroen marques. Peugeot and Citroen have had a resounding commercial success with their light van version of the Peugeot 305 supermini and in the case of Citroen with the small C 15. Last year, C 15 van registrations to alled 2,305 and in the first four months of this year the total is already 8,460.

As for the Peugeot 205

HE MARKET in France has months of this year compared ntinued to perform better with 1,250 last year. This jump an the domestic car market in also reflects the successful meral, Big tax incentives inan the domestic car market in the domestic car m car with registrations in the first four months of this year

first four months of this year already close to the model's 1984 registration total.

These Peuggot and Citroen models have cashed in on the success of the passenger car versions of the 205 superminiand the BX. The 205 aspecially with its recent victories in world railles has proved a huge boost for the private group, helping to spearhead its return to profit after many consecutive years of heavy losses.

years of heavy losses.

In the face of this burst of competition from Peugeot, Renault is about to retaliate by launching a van version of its new Superfive mini car and due on the market later this year. The new Superfive van will also

re-

A CHEST

27 4 Y 1.4

France PAUL BETTS

help complete Rengult's small car and van range complementing the Renault 4 van, one of the pillars of the state group's

ing the kenduit 4 van, one of the pillars of the state group's van and light vehicle range still commanding nearly 15 percent of the domestic market.

The Remult 4 van also continues to be the attre group's major small van expurt model accounting for about 45,500 foreign sales out of a total of about 71,500 Renault light van exports.

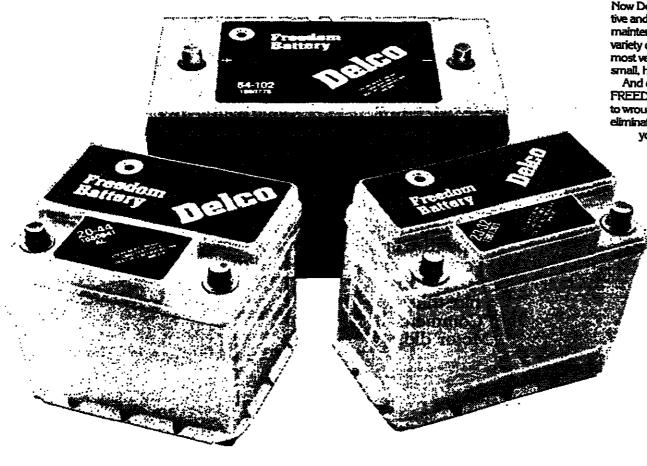
For the two French car groups, it is the light end of the van and utility (or as they are known in France "petites vehicules utilitaires") market that has shown the greater promise. In the highly competitive small truck sector, Peupeot continues to market a range of Peugeot and Clifton models based on the company's joint truck venture with Fist in Italy. Remail the a competing range Renault has a competing range with its Traffe and Master models.

Peugeot is also seeking to expand its van production in new foreign markets, and re-cently signed a major industrial total is already 8,460.

As for the Peugeot 205

Version, sales have shot up to 7,035 vehicles in the first five Canton.

A great start for any design.



There's a Delco Freedom Battery for you. Now Delco Remy can offer Europe's automotive and truck designers an extended line of maintenance-free Freedom Batteries. With a variety of sizes and performances to match most vehicle applications from big diesels to small, high-performance compact cars.

And each battery has the big advantage of FREEDOM. Freedom from maintenance due to wrought lead calcium grids that practically eliminate gassing and water loss. That means you never have to add water. What's more, every Freedom Battery is built with a sealed top to prevent internal

> Tough, versatile automotive batteries. Delco Remy can deliver the performance plus the flexibility you need to make your design work.

damage and contamination.

That's because Freedom Batteries come in a variety of efficient sizes that can help you trim weight and save space and fuel. Each model is aiso available with terminal configurations to meet your specific application requirements. Heavy-duty truck batteries.

Whether you need an all-around battery for trucks and buses in commercial service or extra cranking power for big diesels and cold starts, Delco Remy has a heavy-duty Freedom Battery to do it. Plus cycling models with ready reserves of standby power for extended idling uses.

Best of all, Freedom Batteries are built in Europe, for the vehicles of Europe, and for the special needs of Europe's automotive designers. Freedom Batteries from Delco Rerny You couldn't ask for a better start for your next design. Delco Remy Division of General Motors.

Milton Keynes, England; Russelsheim, W. Germany; Gennevilliers, France; Milan, Italy. World Headquarters-Anderson, Indiana, U.S.A.



Our factory in Sarreguemines, France, is the world's newest and most modern automotive battery facility.

11 小田子

Combine

In 1984, according to Mr Ono. Couvesco. sold nearly 9,500 vehicles, more than half of them. — 5,000— in West Germany. where the company has 120 of its 600 dealers.

So far the change in GM's strategy has not benefited Bedford to any great extent-athough GM argues that by combining Bedford with Isuzui on the Continent it gives the UK company a chance to develop a stronger dealer net-work than it could hope for

independently.
However, while the Isuzu light commercials make in ideal addition to the Opel range for any car dealer, the heavier Bedford vehicles require more specialised representation.
In its Bedford version, the

Japanese van is celled the Midi. It uses engines, transmissions, steering gear and other com-ponents from Isuzu's Japanese plants but GM claims the vehicle is more than 60 per cent

British by expactory value.

Production began in December and Bedford believes it can build and sell 15,000 this year, including 7,000 for export. The company hopes dutput of the Midd eventually will reach an is expanded to include light and annual 20,000 with about 45 per medium trucks.

Japan's output ('000s) (up to 2 tons loading capacity) 1984 †1985 †1986 Midget vans (up to 550ec): Domestic sales, 1,265 1,320 1,360 -50.0 4.8

Experts 1,738 1,530 1,690 Production 2,045 1,965 1,945

† Forecast.
Source: International Motor Business.

-4.9

Marketing group with worldwide resources

Profile: Convesco

worldwide resources together for its own best edvantage in a

S per cent.
But kent is very upset by no especially think it is not an adjusted that the contract was established the contract was established.

So, when Convesto was established in Osnober 1983 with a headquarters finit down the road from Opel in Russelsbeim, West Germany, Bulat provided \$400,000 for a 40 per cent stake

while GM put up the rest of the \$1m for its 60 per cent

In return for this divestment Issue provides the product, GM provides the distribution. Convesco is part of CM's world

with Isuzu, as his

Domestic sales

give Bedford a new product which should help stem the UK subsidiary's losses—£62.4m last year—while at the same time providing Convesco with a key vehicle to tackle the French and limited providing markets. KENNETH GOODING ISUZU OF Japan is building a substantial presence in Western Europe's light commercial vehicle market because it is receiving a great deal of help from General Motors, the world's largest automotive Italian markets.
Convesco will also sell in
Italy vans derived from the
new Opel Kadett/Vauxhall

Astra car and made in Ellesmere Port on Merseyside by Vanxhall.

worid's largest according is a point of the way GM attempts to make best use of its constitution of the way GM attempts to mak throughout Europe by its Open subsidiary.

GM also is providing Isuzu — via another subsidiary. Bedford in Britain— with the means to build some vans in the UK so that they can qualify as "European" products and thus be sold in France and Italy. markets which almost totally exclude vehicle imports from Japan.

The converge of the co

Convesco's success so far has been based mainly on Isuzu's light four-wheel-drive vehicle which it calls the UBS and is sold in Europe as the Trooper.

Most of the Isuzu vehicles Convesco sells are under 3.5 Japan.
Convecto tan even use the Bedford name on Japanese-built leurs vehicles if that will help sales in markets where the British company still has a reasonable reputation but. Issue is not known.
So in the Convecto project we have a perfect enample of a multi-national putting its tonnes gross weight and include the KB one-tonne pick-up as well as the Trooper and WFR van. (The KB is imported into the UK from Japan with a Bedford badge already on it and sold through Vanxhall-Opel and Baddord outliers.)

for its own best edvantage in a way not open to companies operating from one national base. And it might well provide a pattern which GM could follow in the future if it decides to bring Japanese cars into Europe for sele through Opel and Vanshall dealerships.

The relationship between GM and Issue is to vious that it is difficult to use my independent future for the Japanese concern. GM thready has a 34.2 per cent theretoining in issue with the option of taking it to 43 per cent. Bedford outlets.)
However, Isuzu's KT-KS
truck range is sold in Switzer-land, Finland, Portugal and Greece. The KT-KS vehicles recently were replaced in Japan with the new N-series trucks.

Isom was an imporant part of the "world" car project to pro-duce the "J" car, sold in Europe as the Opel Ascana or Vanxhall Cavaller. At one stage Isuzu was the sole supplier of the front-wheel-drive transmissions for all the "J" cars sold in Europe and today still provides transmissions for the Le life versions of the Ascomal Complete to the letter of the

Le intra versions of the Ascona/ Cavalier as well as the 1.6 litre models in the Opei Kadett/ Vauxhall Astra range. About 500,000 of the trans-missions are built a year at Isuzu's Fujitsma plant which also exports to GM's subsidiary in Australia and Chevrolet in

GM also offered another car project to Isuzu. The American group will be short of low-cost, small cars for its U.S. dealers until the 1990s so it encouraged Isuzu to develop a small car and to expand assembly and engine facilities to produce it. GM provided a convertible loan of \$200m towards this scheme and, when converted, the entra money will take its shareholding to 43 per cent. However, the U.S. Govern-ment intervened. Isuzu

intended to produce an annual 300,000 of the cars and to send 200,000 to GM in the States. But the U.S. and Japanese governments reached a "voluntary export restraint" (VER) agreement which limited total Japanese car chipments to the States for three years from the mid-1980s. Isuzu's quota was fixed at only 50,000

cars.
This set-back sent Isuzu plunging into a net loss for the year to October 1984: Y17.725hn (\$71.5m) compared with a Ŷ5.285bn profit in the previous

The restrictions in the U.S. have now been removed and Isuzu is forecasting a net Y5bn profit for its current financial

The other ties with GM include the shipment of medium-duty trucks from 9 to 15 tons for sale through the U.S. group's GMC subsidiary in the States to fill a gap in the GMC

Isuzu vehicles are assembled in 21 countries around the world but in most cases in partnership with GM. This includes assembly of Isuzu trucks by GM Portugal, a wholly-owned GM company.

GM company.
What are the prospects for Convesco? Mr One says no targets have yet been fixed. But other observers believe Con-vesco has a good chance of doubling unit sales in the next year or so and to double them again before 1990 as output of the Bedford-built vans grows and the Isuzu range in Europe

A struggle to keep up with demand

Japan

IAN ROBERTSON

PRODUCTION OF light vans in Japan hit a new record level of 3.35m units in 1984 — up by almost 10 per cent on the level for the previous year. Manufacturers struggled to keep pace with a new peak in domestic demand—up 4 per cent to more than 22m vehicles—and a substantial 16 per cent boost in built up exports to 1.75m units.

There is little evidence of There is little evidence of any slackening in the pace so far this year. Results to April show that output has risen by a further 5 per cent, although with the first signs of a downturn in exports, manufacturers are now relying more heavily on domestic demand to maintain this momentum.

The launch of several competitive new products (including 4WD variants), collaborative deals with Western producers, a domestic market, Suzuki has progressively consolidated its position although Mitsubishi and Daihatsu are now gaining ground.

The introduction of new ST90 van and pickup ranges has company has capitalised on the company has capitalised on the surge in domestic demand for microvans. With engines below that output has risen by a further 5 per cent, although Mitsubishi and Daihatsu are now gaining ground.

The introduction of new ST90 van and pickup ranges has company has capitalised on the company has capitalised on the surge in domestic demand for microvans. With engines below that output has risen by a further 5 per cent, although Mitsubishi and Daihatsu are now gaining ground.

The introduction of new ST90 van and pickup ranges has company has capitalised on the company has capitalised on t

by courtesy of Convesco.

Thus GM has taken steps to

a moderate advance in domestic sales to maintain production.

plier of commercial vehicles to
Japan's domestic market,
Suzuki has progressively consolidated its position although
Mitsubishi and Daihatsu are now gaining ground.

Audina Sumal Daihatsu are stoned to be set to be set to be built up to 15,000 vehicles per year.

Audina Sumal Daihatsu are set to be built up to 15,000 vehicles per year.

550cc, these midget models have been tailored to the nar-row winding streets of Japan's collaborative deals with western producers, a domestic peak in replacement demand and spiralling sales to the markets of the U.S. and China—all have rates and are particularly popurate drivers.

Elsewhere, start-up at Toyota's part-owned Dyna savings in tax and insurance assembly plant in India is scheduled for mid-1985. Affiliate Hino is extending its Taiwan

output last year can be traced solely to increased exports, headed by the Hi-Lux range. In contrast, Nissan's exports of ground. And after a sharp fall-built up models fell back in 1984 production—due to full production of the Nissan Adolas grampings of the Nissan Adlas year, gearing up to full production capacity of contrast, Nissan's exports of ground. And after a sharp fall-built up models fell back in 1984 production—due And in Spain, production of 1984 and the company relied on largely to a decline in domestic sales of City and Civic Pro models — there is evidence of some recovery in output by Honda

> the company's Lite-Ace van are all in the pipeline for early next year. Sales of the Hi-Lux 4WD pickup are booming and sizeable contracts in China are being swelled by additional private exports through Crown Motors of Hong Kong.

Elsewhere, start-up at in replacement demand and spiralling sales to the markets of the U.S. and China—all have played a part in Japan's buopalar anong women drivers. But not all manufacturers have shared equally in this success. Among the volume producers, greatest progress has recently been achieved by Toyota and Mitsubishi. Dalhatsu and Isuzu (playing a growing role in General Motors' world

And in Spain, production of the Nissan Vanette got under way at Motor Iberica in March. Exports to several European

In Iran, the decision has just been taken to raise assembly of 2 ton models from 24,000 to 60,000 units per year and substantial changes in the company's pickup range are planned for 1986.

Joint production

Mitsubishi has recently cemented its relationship with

Eruck strategy) are also on an this year. In contrast, exports be traced to two sources. In technology transfer deals. The the European markets of Denexpansionary trend. Nissan is of midget vans are in sharp May this year the company company heads the mini commark, Norway and West Gerbeing hard pressed to lift out- decline. This has prompted a became the first Japanese promercial market in Taiwan, and many. About 5,000 examples are put back to 1981 levels, but it is growing trend towards fitting of the supported by a growing base of overseas assembly facilities.

A 13 per cent lift in Toyota's

A 14 per cent lift in Toyota's

The arrival of Subaru's Leone

A 15 per cent lift in Toyota's

The arrival of Subaru's Leone

Decline in the lift apparese properties in India ducer to manufacture in India in the U.S. an expanded model in the V.S. an expanded model in the U.S. an expanded model in the V.S. an expanded m output to more than 400,000 vans last year. Eighteen months ago, an 850 cc three-cylinder

engine became available on the company's 55 Wide van. It was previously only available with a twin-cylinder 550 cc engine. Nine months later the range was expanded further with the addition of 1000 cc and 4WD options, and a 1 litre diesel engine is on the way. An export order for 5,200 vans has recently been secured as part of a deal with China, and there is speculation that U.S. exports could begin by 1987.

The Economist Publications (International Motor Business)

The U.S. leisure market is indicate that the rapid growth pickup range. Exports to the U.S. climbed by over 20 per cent in 1984 as a result and a decline in other light van

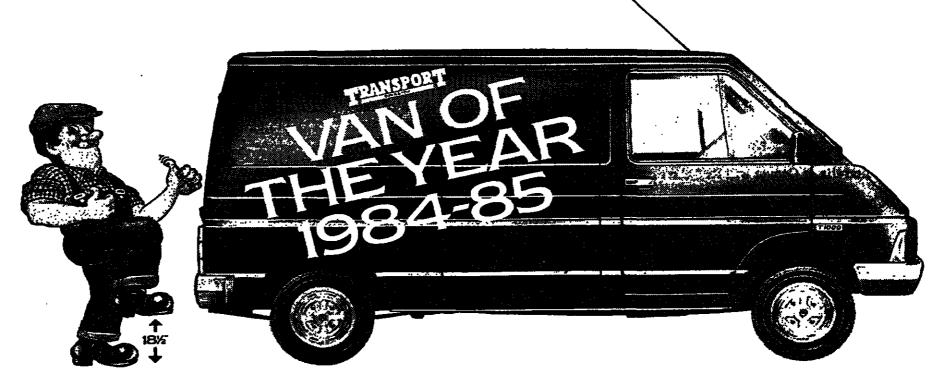
panding minivan market, Honda plans to reintroduce a new line for both Suzuki and Isuzu, ties with General Motors offer greatest scope for a rapid growth in exports. In the UK, Bedford has already begun assembly of Isuzu's one-box Fargo van-more than 30,500 orders are targeted by 1986-

(International Motor Business) model line up was further strengthened in May with the launch of new E2000 pickups and diesel versions of the company's 1 ton panel van. Four wheel-drive versions of the panel van were introduced last November and now 4WD pickups are planned for launch next spring.

a decline in other light van sales to produce continued net growth in the domestic market. Exports of midget trucks are expected to fall back further and after the sizeable surge in export orders achieved in 1984. Overseas sales of other light vans are expected to decline.

A levelling off of orders from the U.S. and China is expected.

ANOTHER SMALL STEP AHEAD FOR THE RENAULT TRAFIC.



TRANSPORT OPERATOR MAGAZINE VOTED THE RENAULT TRAFIC T1000 VAN OF THE YEAR 1984-85:

RENAULT BUILD ABETTER VAN :

We've always known the Renault Trafic was ahead of the field - and now it's official.

The judgest gave the Renault Trafic T1000 the coveted award after considering four vital areas.

Running costs—the 1650 ccengined Trafic proved more economical than all the competition.

Driveability-five-gear flexibility and front-wheel drive made the Trafic a pleasure to drive.

Suitability—its low loading height (181/2 ins) gave the Renault Trafic a roof height almost equal to its rivals' high roof options.

Purchase price - with prices starting at £4,920* the Renault Trafic is an easy winner in this category.

The Renault Trafic is winning friends as well as awards.

More people are switching to Renault Trafic than any other middleweight. Find out why by posting this coupon.

Tell me more about the award-winning Renault Trafic and the range of 2.1 to 2.6 tonne vans. FT16/7 RENAULT Post to: Renault (UK) Ltd. TRAFIC LCV Dept., PO Box 36, Southall, Middx.

RENAULI

Market shares measured against Transit sales

Medium-sized vans

KENNETH GOODING

FORD OF EUROPE'S sales force has been waiting with increasing impatience for the replacement for the Transit van, best-seller among medium vans but now 20 years old.

The introduction was to have been at the Frankfurt Motor Show in the autumn. But the launch has been allowed to slip by at least six months.

Transit II has been overtaken

Transit II has been overtaken by Ford's new style of product development. Instead of setting be put on the market until it is

absolutely ready. absolutely ready.
Ford dealers hope the new van, code-named Triton but which will carry forward the Transit names, will live up

o expectations. by all accounts the new vehicle's aerodynamic shape will make it as "slippery" through the air as most cars. And Ford is known to have worked hard to improve the available cubic expectations. to improve the available cubic capacity compared with the old Transit — one area where the old van falls down in comparison with its newer rivals.

In spite of its age, Transit sales have held up relatively well. Output, reached 89.200 last year, up from 88.000 in 1983, an increase which reflected the lift given when Ford made its 2.5 litre, direct-inject ween the Japanese and VW in West Germany and the Italian

once held 20 per cent of the ground. Western European medium van In the UK, BL's Freight western European medium van market, has seen its share fall Rover has revamped its Sherpa to 14 per cent under pressure from a variety of important new European rivals such as the European rivals such as the Renault Trafic, the Fiat Ducate, the Peugeot J5, Citreon C25, Ford dealers are hoping that the revenue deer not make a similar to the revenue of the control o

has made major advances in the UK with the Trafic/Master range of medium vans, boosting registrations from 5,000 in 1983 to 7,000 last year and con-tinuing the trend so far in 1985. Ford is spending heavily to bring the new Transit into probring the new Transit into production. At the Southampton plant in the UK the bill will be £74m, much of it on highly automated equipment: the factory will have 80 robots and 50 programmable welding units. At Genk in Belgium, investment in the new van line is

ment in the new van line is \$190m for similar high-technology equipment.

Ford is installing enough capacity to produce the new Transit at the rate of about 135,000 a year and reckons that

development. Instead of setting a date for the launch of a vehicle and working hard to hit that target, there is now no fixed introduction date, only a tentative one. In that way no car or commercial vehicle need be put on the market until it is made 157,600 Transports and LT vans last year, up 1.3 per cent from the 155,000 for 1983.

Reorganised

And Daimler-Benz, the Mercedes group, recently completed a reorganisation of its total vehicle production facilities, and moved van production from Bremen to Dusseldorf which has

made its 2.5 litre, direct-injectory direction in diesel engine available in and French companies will take action to prevent the Ford wehicle regaining too much

Renault Trafic, the Fiat Ducate, the Peugeot J5, Citreon C25, Talbot Express and Volkswagen's new Transporter.

Fiat used the Ducato, launched in 1981, very effectively to cut the Transit's market share in Italy by half, for example. And, the pany tried to bring too many Cargo models to market in too short a time and early vehicles

competition in France, Renault ties as a result.

has made major advances in the Word has it that Ford's archrival, General Motors of the U.S., will allow the Bedford CF van, its Transit competitor, to soldier on for some time yet. The CF is due to be replaced

The CF is due to be replaced by GM's "world" van, currently being developed at the world truck and bus group's head-quarters at Pontiac. Michigan, with a great deal of input from Bedford in Britain.

At one time the evidence suggested the "world" van might make its appearance in 1987 or 1988. But the latest 1987 or 1988. But the latest indications suggest that the CF's replacement will not be

seen before 1990. GM's aim has been to develop a van which can be marketed around the world through all its subsidiaries with only minor

Bedford was due to take on extra contract designers and draughtsmen last summer to work on the project — Bed-ford's role apparently is to handle the design of front axles, steering, suspension and body-work for the van — but recruiting never took place at that

In the meantime, Bedford has a new competitor in the medium van market with the Midi, based on the Isuzu WFR but made at Luton. The company will rely heavily on this model to improve its position in medium van markets — and for

tis return to profitability.

There will be a gradual spread of similar, Japanese-type vans into European production. Daimler-Benz is to produce one based on Mitsubishi's L-300 series in Spain and Nissan has introduced the Vanette at its Motor Iberia subsidiary in that

The signs are that medium van sales in Western Europe this year are likely to return to the best level since 1980. Ford predicts the total will reach 659,000, up by 17,800 or 2,27 per cent on last year. In 1980 some 664,800 medium vans were sold.

Ford expects only one of the major European markets to show any decline: France could go down from 112,400 last year to 110,000 vans in 1985. But the UK could rise from 131,000 the Transit's market share in pany tried to bring too many to 135,000; West Germany from Italy by half, for example. And, Cargo models to market in too 128,500 to 130,000; Italy from while the Transit has held its short a time and early vehicles 67,000 to 70,000 and Spain from own well against the domestic suffered many technical difficul- 31,000, the company forecast.



Leyland's Roadrunner built here as a mini-tanker for delivering domestic fuel oil in rural areas with their narrow lanes

Forecast production to 1990—light commercials

| (vans up to 3.5 tonnes | gross) | | | | |
|------------------------|-----------|---------------|-------|--------------|---------|
| - · | 1980+ | 1984† | 1985 | · 1986 | 1990 |
| PRODUCTION | | | | | • |
| West Germany | 266.2 | 204.0 | 210.1 | 209.6 | 228,2 |
| France | 375.5 | 305.9 | 315.3 | 311.1 | 340.8 |
| UK | 221.8 | 144.1 | 160.4 | 177.3 | 170.7 |
| | 115.9 | 116.2 | 127.1 | 126.1 | 138.6 |
| | 107.1 | 86.9 | 88.7 | 92.0 | 112.4 |
| Spain | | 35.2 | 44.5 | 64.7 | 67.9 |
| Belgium | 49.9 | | 946.0 | 981.9 | 1.058.6 |
| TOTAL | 1,136.3 | 892.3 | 240.0 | 301.0 | 7,000.0 |
| DEMAND | | | | 131.8 | 150.5 |
| West Germany | 143.8 | 123.7 | 125.0 | | |
| France | 271.6 | 266.2 | 280.1 | 289.5 | 313,1 |
| UK | 194.2 | 200.0 | 203.0 | 207.1 | 193.6 |
| Italy | 117.9 | 110.3 | 115.4 | 120.2 | 127.8 |
| Spain | 63.4 | 71.1 | 73.0 | 75.2 | 89.1 |
| Sweden | 11.1 | 13.9 | 13.9 | 14.1 | 15.0 |
| Netherlands | 32.4 | 36.5 | 34.4 | 33.3 | 35.8 |
| | 20.3 | 18.7 | 18.9 | 19.4 | 22.3 |
| Belgium | 17.8 | 16.1 | 16.8 | 17.4 | 19.4 |
| Switzerland | | | 15.3 | 15.8 | 16.5 |
| Austria | 14.8 | 15.0 | | 28.3 | 28.1 |
| Denmark | 13.9 | 26.6 | 27.6 | | |
| TOTAL | 901.2 | 898 <u>.1</u> | 923.4 | <u>953.1</u> | 1,011.2 |
| + | Actual re | istration | IS. | | |
| • | | Source: DR | | Toucks (| Report |
| | | | | | |

New models crucial to the future

Light trucks KENNETH GOODING

TWO NEW light trucks made their debuts in Western Europe last year. Not only did they considerably enliven competition in the sector, but each vehicle has a crucial part to play in its manufacturer's

In West Germany, Daimler-Benz, the Mercedes group. introduced the LN range of 6.5 to 11 tonne trucks to replace the old LP models. In Britain, Leyland launched its Road-runner, a 6 to 10 tonner which completes the state-owned group's truck renewal

D-B invested more DM 280m (£72m) in the new LN range to follow the 19-year-old LP trucks. In 1983 D-B produced 20,000 LP vehicles and seven out of 10 of them were delivered to West German customers, to give the group a 68 per cent share of domestic

sales in the 6.5 to 11 tonnes The old LP trucks also provided D-B's huge heavy truck plant at Woerth with 20 per cent of its total output.
Once production of the new

Europe."

If Roadrunner lives up to Leyland's expectations it should boost the company's UK sales by at least 20 per cent and take it back to leadership of the markets for trucks over 3.5 tonnes gross weight it lost to Ford in 1977.

According to Mr Les

which will take Leyland back to visibility."

to visibility."

to visibility."

to visibility."

to visibility."

to visibility."

to visibility.

The original intention was to to the partners' expectations.

The original intention was to to the partners' expectations. Leyland spent about £10m on Roadrunner which competes in

a sector accounting for 30 per cent of UK trucks demand. One in four trucks sold in Britain are of 7.5 tonnes gross weight because this is the heaviest weight of vehicle which may be driven without an HGV (heavy goods vehicle) driving licence. n HGV (heavy goods vehicle) year were invited to have in other parts of Europe, has riving licence. various problems attended to dogged the MAN-VW venture Leyland hopes to self about free under warranty—and the since it was launched in 1979.

from General Motors' British subsidiary, and versions of Ford's Cargo.

Launched

tonnes gross weight it lost to
Ford in 1977.

According to Mr Les
Wharton, managing director of
Leyland Trucks, the arrival of the Cargo range, which covers
Roadrunner "is the catalyst of the Cargo range, mainly spent

The original intention was to Ford's Cargo got off to a bumpy start because the company admits it tried to introduce 15,000 a year of the point-venture vehicles, known as the MT range, with 10,000 going duce the complete range in too short a time. It was too only about 5,000 and MAN admittious about its engineering miss that it will not reach 10,000 miss that it w speed and its marketing speed. until the end of the 1980s.
Owners of about half the Depressed demand in Owners of about half the Depressed demand in West 25,000 Cargos built in the first Germany, and to some extent

range reaches full steam, D-B estimates it will build and sell 25,000 a year. Sales will be confined mainly to industrialised Western European countries because D-B believes to up-market and expensive for other territories.

For Leyland, Roadrunner rounds off the overhaul of the range which began nearly six years ago with the introduction of the heavyweight Roadtrain, first of the T45 "Trucks for Europe."

3,000 Roadrunners this year, a significant jump on the performance of the 15-year-old Terriers, which Roadrunner for the 15-year-old Terriers, which Roadrunner replaced. About 1,600 Terriers were sold last year.

While D-B's LN range takes over a strong base in its domestic market provided by its predecessor, Roadrunner faces a formidable line-up of competitive petitors, not least the new petitors, not least the new prices offered by competitive makes.

Mercedes model. Other rivals include the UK-produced Dodge G08, made by Renault Truck Industries, the Bedford TL, from General Motors' British Islands will be significant jump on the performance of the 15-year-old from now claims that the quality and reliability of the Cargo are "best in class" but some of the fleet buyers who walked away because of the initial difficulties have not yet returned. However, some of them undoubtedly have been peritors, not least the new prices offered by competitive makes.

G08, made by Renault Truck manufacturers' 7.5 tonners in find the UK are more or less in line, from General Motors' British Iveco, the Fiat subsidiary, has

Iveco, the Fiat subsidiary, has official prices below the competition while the Ebro, from Nissan's Spanish subsidiary, Motor Iberica, appears to be the cheapest in the sector.

Ford was not the only company to suffer recent setbacks in the light truck sector. The MAN-Volkswagen joint venture in West Germany to produce 6 to The original intention was to produce 15,000 a year of the

Output of light trucks in the UK last year bounced back a little from the very low level in 1983. Some 15,685 trucks of 3.5 to 7.5 tonnes were produced last year, up from 14,140 in 1983. Last year's total was still well below the 19,050 for 1982, however.

For Western Europe as a whole, ouput of light trucks (3.5 to 7.5 tonnes) was static in 1984 but wat 4.8 per cent below the 1982 level. Production inched up from 62,000 in 1983 to 62,500 last year whereas in 1982 some 65,600 light trucks were built.

4 St. 18 St. 18

were built.

In the other major markets, output in West Germany fell from 23,800 in 1982 to 20,200 the following year but, as pro-duction of the Mercedes LN range began to build up, re-covered to 23,800 in 1984. Italy has only one producer, Iveco, and output has been very erratic in the 3.5 to 7.5 tonnes sector. In 1982 production was 16,100. It jumped to 20,300 in 1983 then fell back to 18,500

Spain and France have experienced similar patterns but on a much lower level of production. Spanish output was 3,000 in 1982, rose to 4,000 the following year and slumped to 2,000 in 1984.

French output was 3,900 in 1982, then 3,850 in 1983 before

A Financial Times Conference

WORLD MOTOR **CONFERENCE**

Frankfurt: 12 & 13 September, 1985

The Financial Times is arranging a major conference on the World Motor Industry in Frankfurt on 12 and 13 September, timed to coincide with the Frankfurt Motor

Signor Umberto Agnelli, Mr Bob Lutz and M. Bernard Hanon, are three of the leading speakers on the prospects for the large manufacturers in the light of strategic thinking over globalisation. Dr Eberhard von Koerber of BMW will address himself to the outlook for the specialist manufacturers and Signor Paulo Cantarella of Comau will lead the section on process technology.

The subjects to be covered in the programme will include:

- Volume Manufacturing-The World Car Concept to the Volume Manufacturer
- What is the Future for National Automotive Industries in Europe?
- Specialist Cars—A Future that is Nationally Based?
- Truck Manufacturers and their Strategy-World or National?
- Components Manufacturing for a Changing Auto Business
- Political Problems Affecting the Motor Industry
- Factors Affecting Profitability for Volume and Specialist Car Manufacturers

To:

- Financing the Global Auto Industry
- Vehicle Marketing and Distribution-The Patterns of the Future

WORLD MOTOR CONFERENCE

☐ Please send me further details of the World Motor Conference

A Financial Times Conference

Financial Times Limited Minster House, Arthur Street London EC4R 9AX Tel: 01-821 1355 Telex: 27347 FT CONF G

Renewed battles for leadership

Car-derived vans

KENNETH GOODING

RENAULT, THE state-owned French group is going through a difficult time. It is suffering from record losses, has had a chairman imposed from outside the group and morale is low. And the group's performance in the car-derived wan sector is running true to present form.

In the first quarter of this year Renault lost leadership of the sector in France—where it once appeared to have an un-assailable lead—to Citroen, part of the Peugeot group.

Renault's share for many years has never slipped below 55 per cent of total sales and has often been nearly 60 per cent. The group ended 1884 with a 55.1 per cent peneura-tion against 31.2 per cent for the Peugeot-Citroen-Talbot com-

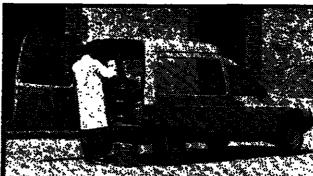
Then the little Citroen Visa van began to accelerate. It is a serious commercial vehicle, not just a car with the back seats removed and the windows blanked in. Citroen has developed a purpose-built box body which it claims gives the Visa the largest cubic capacity of any car-derived van and the rear suspension has been beefed up to provide for a payload of

The formula seems to be succeeding and in the first three months of 1985 Renault's share of the French car-based van sector was down to 42.5 per cent while the Peugeot group's reached 43.1 per cent.

Current low morale and lack of confidence in the Renault dealer network undoubtedly played some part in the sudden decline but, as often happens in the commercial vehicle business, a new product from a rival company was mainly responsible.

The Visa van was launched in France last October and has particularly dented sales of Renault's redoubtable R4 van, Renault's redoubtable R4 van, for many years Western Europe's best-selling commercial vehicle. The R4 van at the end of the first quarter of 1984 accounted for 43 per cent of total car-derived van sales in France. At the same stage this year its chere was down to 31 year its share was down to 31

Part of the R4's problem was that it has been widely assumed in France that the car on which it is based will shortly go out of production. Latest rumours suggest, however, that it will be kept going for another two years but that Renault has



Citroen's Visa. With its purpose-built box body it is a serious commercial vehicle

dropped its replacement as part of the necessary cost-cutting.

France is by far the largest market in Western Europe for vans derived from cars and dewans derived from cars and demand there has been particularly strong in the early part of 1983 it left VW's 49-per-cent-1985. So Renault's swift decline in its domestic market also threatens its position as European leader in the sector.

At the end of the first quarter, Renault's penetration of the for the pickup was moved from Renault's penetration of the Western European car-derived and micro van sector had fal-len from 30.1 per cent to 25 per

22.1 per cent.
Other new products to make their mark in the car-derived sector recently include the new General Motors' Opel Kadett/ Vauxhall Astra van.

cent while the Peugeot group advanced from 16.2 per cent to

Toehold

The van has given GM a better toehold in the relatively small West German market where it previously had very little success. GM is assembling the Opel Kadett version of the van in Portugal for sale in Germany, thus helping to keep labour costs down. Low prices other markets, too, particularly are a feature of the German where the German to small van market which is dominated by the Japanese pro-

GM had only 1 per cent of the German car-derived van sector at the end of March 1983 but took 3.7 per cent at the but took 3.7 per cent at the same stage this year.

The Opel badge helps give the impression to German customers that the Kadett is a local product even though it is assembled outside the country.

Volkswagen also has a relatively new product which is in a similar catagory. The VW

a similar catagory. The VW Caddy pick-up is assembled in Yugoslavia but, because final technical tests are made in Germany, the vehicle carries a "made in Germany" label.

The Caddy has an interesting history in that it was designed by VW in West Germany for sale in the U.S. market where

for the pick-up was moved from the U.S. to Yugoslavia and the capacity to produce 50 a day or about 12,000 to 14,000 a year

was installed. TAS, in which the Yugoslavian government has a majority interest, produces the floor pan and rear axles but the other major components are sent from West Germany for assembly. TAS produced about 9,500 Caddys last year of which 4,300 were sold in West Ger-

many.

The entry of the Caddy enabled VW to go from 4 per cent of the car-based van sector in Germany in 1982 to 20.9 per cent the following year and 17.4 per cent in 1984. The pick-up helped VW establish a much bigger penetration in some other markets too particularly.

group was not previously repre-sented in the car-derived van sector but last year took 12 per

Thus a new product has helped VW double its share of the Western European carderived van sector from 2 per cent to 4 per cent in two years. Ford also performed strongly in the sector last year moving up from 7.7 per cent to 9.4 per cent of total European sales—not because of a new van but because the group had a new diesel engine to put in existing Flesta and Escort vans.

Ford spent \$196m to bring the

1.6 litre diesel into production at its Dagenham plant in the UK, aimed for an annual output of 150,000 and wanted to cap-ture a much bigger share of the diesel car market by offering the new power unit in Fiesta, Escort and Orion models,

The diesels were in short supply last year but Ford's marketing companies Europe were told their alloca-tion could be included in either

As expected, the diesel helped Ford make big progress in Italy where diesel fuel is very cheap. The company's car-derived sales there had been negligible but last year it built its share to 1.3 per cent of total sales and by the end of March 1985 had 2.6 per cent.

Ford believes that total sales of car-derived vans and micro vans in Western Europe (by all manufacturers) will rise steeply this year to about 455,000, up by 8.6 per cent from the 418,000 last year and well above the 435,000 for 1983.

Within the European total, Within the European total, Ford expects sales in France (all manufacturers) to reach 183,000, up from 161,100 last year; those in the UK to be 91,000, up from 88,500; Spain, 55,000, up from 54,400; Italy, 35,000, the same as last year, and those in West Germany to



1ST QUARTER 1985 ISSUE ■ World Overview: Vehi Issues 1985 to 1987.

West European, North A Prospects Prospects. WEST GERMANY UNITED KUNGDOM

Brazil's Recovering Automotive Industry.
 The Benelux Automotive industry: Developments in Ref B Electronics in the Automotive Field; Current and Fature

Belectifistics in the Antonious visions delivers and resident places. A quarterly issues: Europe 244, hirmail to other international 8.5, \$450/squist places and Management London Wight tyston House, 7-12 Livitics Square, London Wight Latenhous: 61-388-3187, Toles: 21328 R.MARN

Jeeps winning the sales war

Four-wheel drive KENNETH GOODING

JEEP CORPORATION, the company which started the business, was the world's leading pro-ducer of light four-wheel-drive vehicles in 1984—reclaiming

eadership after a three-year

4

The company's output soared by 133 per cent from the 1983 level following the introduction of its lightweight Cherokee and Wagoneer models—the first new Jeeps for 20 years and dereloned with financial help from Renault, the state-owned French

Renallt now owns 46 per cent of American Motors which, in turn owns Jeep Corporation. The French group has injected about \$500m into AMC in the sheet captured 50 per cent. This was narry because of the

The new Jeep vehicles took five years to develop and are such vehicles in the U.S. but more compact. They weigh also because the Japanese had nearly 1,000 fbs dess than the made a powerful attack on the models they replace and prosector. substantially improved

market for four-wheel-drive vehicles to callapse from more than im a year to one-third that

AMC-Jeep was not the only

company which rushed into drive vehicles, the Japanese action to produce lighter and were able to set up the semb-smaller four-wheel-drive prolance of distribution networks ducts while attempting to retain and prepare for the time—perthe suggedness necessary for haps decades ahead-when they off-road transport

Ford did the same for its Bronco and the introduction of the "downsized" version enabled Ford to take world production leadership in 1983. Ironically, the pressure to provide less-thirsty vehicles has eased considerably in the U.S. because fuel prices have fallen

back to pre-crisis levels in real In 1981 Jeep output was over-taken by production of the Toyota Land Cruiser in Japan,

an event which illustrated the progress Japanese manufac-turers have made in the allwheel-drive sector.

This was partly because of the sharp decline in demand for

While most automotive groups fuel economy compared with the five years ago considered proprevious Cherokee and duction of four-wheel-drive wehicles as an operation outside their mainstream activities, the the old supply crises of the mid-Japanese perceived that the 1970s, which caused the U.S. vehicles gave them a chance to vehicles gave them a chance to gain a toehold in some developing countries where imports of cars were restricted but utility vehicles were acceptable, By sending in some all-wheel-

could follow, through with

ordinary cars. The Japanese have changed tack. Faced with restrictions on car imports voluntary or otherwise - in many industrialised countries around the world, the Japanese are looking for ways of boosting turnover and profit in spite of being unable to increase the number of units they export.

As part of this process they have changed the specifications of their four-wheel-drive models to make them more attractive to people who drive for leisure and pleasure rather than those customers who need tough, all-terrain vehicles.

a good example of this trend — and its production jumped last

There was also a big increase in output of the Isuzu UBS, called the Trooper in Western markets. Isuzu launched the Trooper in the U.S. — where Japanese car imports last year were restricted by the voluntary restraint agreement between the two governments — and its dealers sold 15,000 of them.

The Trooper is also making headway in Western Europe now that General Motors, the world's largest automotive group and which owns 35 per cent of Isuzu, has opened up its Opel car dealer network

Always alert for a gap in the market they can exploit, the Japanese have cultivated in Europe the leisure-and-pleasure market for all-wheel-drive.

Europe's major contender, Land Rover, the BL subsidiary, looking for new customers because of difficulties in its traditional export markets, has also begun to tap the leisure

sector.

In the past two years it has introduced the One Ten and the One Ninety Land Rover vehicles which have improved ride and handling characteristics com-pared with the models they

The Land Rover company has also made important changes to its up-market Range Rover to improve that vehicle's appeal. Final arrangements are being made for the launch of the Missubishi's Pujero/Shogun is Range Rover in the U.S. so it good example of this trend—can benefit from the world's biggest automotive market. The American version will be designed to appeal to women in particular — 40 per cent of Jeep buyers are women in the States and the percentage for the Range Rover should be even higher.

> Other European producers of struggling. Daimler-Benz, the Mercedes group, had one of its major setbacks with the Spain and was launched at the partnership with Steyr-Daimler-Puch of Austria.

D-B hoped for annual sales of at least 10,000 for the "G" waggon but output has languished below 6,000. The West fensive, there might come a Far East.



German group dissolved its production deal with Steyr but the Austrian company still makes the vehicle for D-B to sell with in Peking as in the process of being revitalised with the help

Volkswagen's Iltis and the Viasa Jeep from Spain appear to have gone out of production last year and output of Fiat's Campagnola is just ticking over. Land Rover's Spanish associ-ate, Land Rover Santana is under pressure from Nissan, which acquired Motor Iberica and in 1983 put the Patrol into production in Spain, Santana has retaliated in the

obvious way: it has started producing a Japanese four-wheeling produced by Santana in Spain and was launched at the "Wagen, originally made in mership with Steyr-Daimler-h of Austria.

B hoped for annual sales of least 10,000 for the "G" and have put the U.S. and some but output has land the steep might come a steep of the desired but output has land the steep might come a steep of the steep might come a

original ancestor, the spartan Army Jeep of the 1939-45 War time when Japan is challenged

has acquired a 31.6 per cent stake in the Chinese company and is contributing technical knowhow. AMC intends to update Beijing's existing model and then introduce as quickly as possible a vehicle based or the small CJ Jeep.

At first engines and other components will be imported from the U.S. but the aim is for every part to be produced in China eventually. AMC reckons it can at least double Beijing's annual output of 20,000 Jeeps within three to four years and to begin

By combining American knowhow with China's low production costs, AMC hopes to break the grip the Japanese have established in the light four-wheel-drive markets in the



Above: Land Rover's new One Ten V8 and (right) the Jeep Wagoneer, all-terrain vehicles very much advanced from their

| Light Four-wheel-drive production | | |
|-----------------------------------|---------|---------|
| | 1983 | 1984 |
| JAPAN | | |
| Toyota: Land Cruiser | 124,297 | 115,048 |
| Blizzard | 391 | 1.383 |
| Nissan Patrol/Safari | 39.607 | 33.269 |
| Daihatsu Taft/Rocky | 10.680 | 14.940 |
| Isazu UBS/Trooper | 19.564 | 40,120 |
| Mitsubishi: Jeep | 2,913 | 2,290 |
| Pujero/Shogun | 29.009 | 40.875 |
| Suzuki Jimuy | 86.092 | |
| | 00,032 | 74,625 |
| U.S. | | |
| General Motors: Chevrolet Blazer | 35,179 | 46,919 |
| GMC Jimmy | 8,426 | 9.278 |
| Ford: Bronco | 131,203 | 53,772 |
| Bronco II | _ | 109,107 |
| American Motors Jeep | 75.534 | 176,276 |
| WESTERN EUROPE | 10,001 | 110,210 |
| Fiat Campagnola | 1.894 | 2,253 |
| Daimler-Benz Steyr "G" | 5,662 | 5,532 |
| Land Rover UK (including | 4,004 | 3,332 |
| | 40.004 | |
| Range Rover) | 40,764 | 37,447 |
| Land Rover Santana | 17.804 | 13.023 |

Nissan Spain Patrol

Many drivers now seek the comfort and finish they are used to in their own cars

Transit is still the yardstick

Driver's view

ALAN BUNTING

tonnes gross sector of the com-mercial vehicle market, whose weight boundary is defined by the legislative provisions of Operator's Licensing. driver appeal has a significant

Many light vans and their chassis can equivalents—shie to accept preprietary van or truck bodywork—are bought by small traders whose employees are primarily car drivers. They vehicle for the job.

In the case of car-derived vans, such as those based on the Ford Escort, Vauxhall Astra and Austin Maestro, the cab space follows closely that of the car, though in more spar-tan form. Simplified instru-ments, less elaborate trim and cheaper upholstery, often cause undavouarble comment from drivers who know the cars

This does not apply, however, to vans and related chassis-cabs of 1 tonne psyload especity and shove, spinsoised by the Ford Transit, Bedford CF and aggressively marketed foreign competitors like the Mercedes 207D/ 307D, Volkswagen LT and Renault's Traffic and Master

They are judged from a more rational standpoint, by drivers who rightly regard a light commercial vehicle as an item of industrial equipment, designed to carry a load from A to B as effectively as possible.

They are judged from a more high for a 1980s design. This shortcoming is particularly apparent in the latest Sherpas powered by the 2.5 litre Land-Rover diesel engine.

Rover diesel engine.

Ford Transit, now a 20-year-old design, is seen by many as a datum against which other vans and light chassis-cabs are measured. Its 35 and 44 per cent shares (in 1984) of the Bedford range has played its nominal 1 tomas payload and 3.5 tomas gross market resuechave their preferences. The Ford Transit, now a 20-year-old measured. Its 35 and 44 per cent shares (in 1984) of the naminal 1 tamas payload and 3.5 tonnes gross market respectively, force competitors to sit up and take notice of Ford specifications and, of course.

pricing.

Among the Transit's driver pluses are its full bonneted say out giving a clear, almost level cab floor, unobstructed except for the central meaning and the control meaning and the edge on Bedford.

Bront-wheel drive (fwd) offers for the central meaning and the edge of Bedford. for the central gearlever. A double passenger seat is practical and usable.

Minimal noise

Because the engine is well forward of the cab space, mechanical noise reaching the crew of a Transit is minimal. One should add immediately, however, that in full forward-control rivals such as the VW LT and Mitsubishi L300, whose engines are located between/ under the seats, engineering re-dimenent has brought down-noise and vibration levels to comparable levels.

So-called custom versions of Transic models are trimmed to higher standards, with bold up-holstery colouring and very little painted metal visible.

Drivers getting into a Transit for the first time often complain that the steering wheel feels too small for the size of the vehicle—exactly the oppo-site criticism levelled at Mer-cedes' Bremen models. German vans and trucks have large noticeably heavier diameter steering wheels to rwd counterparts.

meet legislation in the Federal Republic regarding maximum steering effort.

easy vehicles to drive with vice-free handling, although Ford's choice of a solid beam-type front axle suspended on traditional "cart" springs makes for a truck-like ride. In contrast, the CF from General Motors Bedford has independent coil spring front suspension, giving better ride and cornering characteristics than the Ford. Differences of opinion on optimum front suspension layout occur, interestingly, among continental manufacturers as

springs, up to 3.5 tonnes gross.
Leyland's Sherpa range, extended upwards 18 months ago to include 3.5 tonnes gross models (with a wider body/cab shell) follows the Ford philo sophy. Sherpas are fully-bouncted, eliminating engine

handling.
The Sherpa range, especially the new wide variants, also falls

different benefits in a commer-cial vehicle to those in a car-Loadspace floor level can be lowered by six or eight inches thanks to the absence of a propshaft and rear differential

which is built in the same Italian plant, are "fwd only" designs going up to 3 tonnes gross. Their success and that of Renault vans is attributable in large measure to the low floor and consequently increased

cubic loadspace.
Competitors, notably Ford and Mercedes, have undertaken extensive research and develop-ment studies on the fwd versus rwd controversy, coming down firmly in favour of the latter. Rear drive is less costly, simpler from a maintenance point of view and, for gross weights above about 2 tonnes, offers positive traction benefits for

fully-laden operation.

From the driving seat the fwd Talbots, Fists and Renaults have been well accepted in this country. Steering effort is not noticeably heavier than on their

On the road, all Transits are opting respectively for a solid axle and independent coil

encroachment on crewspace. They also feature a beam front axle with leaf springs.

Full marks are due to Sherpa designers for the cab interior.
Trim levels, finish and instrumentation are up with the best
that Ford and Bedford offer, But Leyland's contender is let down, in the opinion of many drivers, by indifferent ride and

short of its main rivals in terms of powertrain refinement. In-terior noise and vibration levels are thought to be unacceptably

Nevertheless most van drivers British market, although the tave their preferences. The latest Mk 2 versions powered

housing.

The Talbot Express and the almost identical Fiat Ducato.

THE NEW MIDI HAS SHOWN OMPETITORS THE VALUE OF BEDFORD'S SPECIALISATIO



Often with the launch of a brand-new commercial vehicle buyers initially stay away in droves.

They're hesitant to take on the new against the well-tried.

Not so with Bedford's new Midi 1-tonner. Because not only is the Midi already out-selling the German and Japanese equivalents, but as a new entry is also challenging long-established British makes.

The Luton-built Midi has been as enthusiastically received by motoring journalists as by buyers.

One writer, who drove four Midi vans out of the 16 model range, accurately predicted in the April issue of 'Marketeer,'

"A favourite is just what this new van, the Bedford Midi, will become...It is, absolutely, a little cracker. It is a joy to drive..." The authoritative 'Transport News' concurred that the Midi was "...sturdy, stylish and well-designed..."

As registrations of Midis ably demonstrate, Bedford's position as Britain's biggest commercial vehicle specialists means vehicles better specified to the real needs of operators and buyers alike.

While on top of the Midi's launch success has come increased demand for the Bedford TL truck range.

A recent review of 7½-tonners in 'Transport Engineer' summed up our

own intentions with, "The widest choice that is in tune with operational needs is Bedford's."

Bedford as part of General Motors Truck & Bus Group, the world's largest specialists, have vast resources to draw upon. Planned are even more upsets for our competitors.

And better vehicles for users.



Bedford Commercial Vehicles, Division of General Motors Overseas Commercial Vehicle Corporation, P.O. Box 3, LUTON, LU2 OSY.

Investment in fastest-growing sector

Diesels

JOHN GRIFFITHS

LAST YEAR Ford took a major growth of diesels in the medium van market with the launch of a new 2.5 litre diesel engine

using direct fuel injection.
Ford could reasonably claim it to be a world first, in that direct injection—offering about 15 per cent better fuel consumption and more power compared with a conventional diesel direct at the DI engine's launch, would turn out to be the fastest growing of all

production was beneficial to Ford, in that it has helped to provide a boost to the Transit van range in which it is fitted during what is proving to be the 20th—and last—year of the Transit's life

Transit's life

Transit's life

Transit's life

Transit will be replaced at the end only the UK and West Germany out witnessing a virtual com-

It will be replaced at the end of this year by a new model, currently code-named Triton.

Armed with that and the new diesel, Ford will then be well-placed to test out its beliefs not only that it should be able to diesel's progress may not be restore its own range to undisputed European leadership in that a diesel version will grow 1984 inclusive has remained vir-in popularity to the point where tually static at 56-57 per cent.

the Transit successor's output
Ford has invested heavily in its belief about the diesel, spending \$155m at Dagenham to expand diesel engine capacity by 30 per cent to 110,000 a year and to bring the new PDI unit into production. From those figures, it can be deduced that Ford expects total sales of the Transit's successor to grow to 135,000 units a year. Last year, its Genk, Belgium and Southampton plants built 87,500 the production of period at the end of the period stidery.

The new vehicle will compete

The new vehicle will compete

output of medium vans slipped from 588,000 to 567,360.

In West Germany, for exercity at 34,675 units produced represent a rise of about 4,000 at 1982 level. However, the 34,675 units produced represent a rise of about 4,000 at 1982 not the growth has been Ford, units — after a dip in 1983.

In West Germany, for exercity the 34,675 units produced represent a rise of about 4,000 at 1982 not the growth has been ford, units — after a dip in 1983 increased consistently over the period, but desels fell back represent a rise of about 4,000 at 1982 not the growth has been Ford, which also affected petrol units — whereas output of petrol units has fallen back consistently from 99,740 in 1982 to units has fallen back consistently from 99,740 in 1982 to the growth has been ford, but diesel production of petrol units has fallen back consistently from 99,740 in 1982 to units has fallen back consistently over the period, but diesels fell back represent a rise of about 4,000 at 1982 to units a distinct of the growth has been ford, but diesels form is about 25 per cent more fuel efficient than a (413,500 in 1982).

Again, a major influence in on-road performance)—will increase a fuel prices become higher in absolute terms.

But it is seen, the officient than a finter of the growth has been ford, but diesel form is about 25 per cent more fuel efficient than a finter of the growth has been ford, but diesel form is about 25 per cent more fuel efficient than a finter a dip in 1982 to units a diesel

pared with a conventional dieser launch, would turn out to be previously had been used only launch, would turn out to be in large, low-revving engines the fastest growing of all western Europe's commercial western Europe's commercial western Europe's commercial vehicle markets, rising from 647,000 units in 1983 to 710,000 units, or perhaps even 750,000, by 1990

statistics from market analysts Planning Research Systems will it should be able to ore its own range to undiscided European leadership in According to PRS's figures, medium vans sector, but dissel's share of output in 1982, a dissel region will grow 1984 includes his remained given.

diesel output was on an upward trend at the end of the period while that of petrol units was

Diesel output has also dropped back in Spain, al-though diesels account for a large majority of sales (petrol van output was up). Where the diesel is making

significant headway is in Italy, and proportionately to a lesser extent in the UK. Italy's production of diesel

In the UK, a market where sales, diesel sales have only recently begun to take off in comparison with most Continental markets, output of medium diesel vans last year was only about 200

sidiary. Freight Rover's diesel van output jumped by more than 24 per cent to 16,415 compared with a year earlier — placing it well ahead of Ford's 9,925 out of its Southampton plant, although a further 23,869 Transits were produced at Genk.

Freight Rover's increase is due primarily to the launch last year of a diesel-engined medium vans last year was last year of a diesel-engined more than 17 per cent higher version of the 210, the wide-than in 1982, while that of bodied van, in weights up to petrol van fell back by just over 20 per cent. Even so, diesel first began selling in petrol-output fell in unit terms last form-only in October 1983. The year compared with 1983, to diesel version is now accounting 78,300 from more than 84,000. for 60 per cent of the 210's

The conviction remains widespread that the diesel's penetra-tion will accelerate. In part this is because the attractions of the rising from 37,080 to 82,515, out UK. Ford is experiencing a diesel—which even in indirectly of total light van production up similar pattern with its vans.

But manufacturers have been able to capitalise on that de-mand base to begin introducing new products which are conmand base to begin introducing
new products which are considerably more attractive in themselves than the earliest, sometimes crude and heavy diesel units. (No less important for cost-conscious operators, the phenomenon extends right across the industry and provides evidence far more clear-cut even than in the medium vans sector of how manufacturers' innovation can act as a significant spur to normal price premium required demand, for a diesel over a comparable The for a diesel over a comparable The price premium now petrol unit is now being caredemanded for a diesel is such fully pitched to allow operators that in many cases it can be

A sector of the light commercials market where growth has
been spectacularly rapid. particularly in the past 18 months, transferred to the car-derived
is that comprising light vans—
that 20,000 miles. And given
the disappearance of its other
perceived disadvantages, its
been spectacularly rapid. particularly in the past 18 months, transferred to the car-derived
is that comprising light vans—
van have become increasingly
those derived from cars.

duced in Europe that year were of the Kadett/Astra saloon in diesel-powered. Last year, the 1982, quickly found that diesel proportion had jumped to 19.8 per cent, with actual volumes

which also affected petrol units
— whereas output of petrol
units has fallen back consistently, from 99,740 in 1982 to
1 just 74,505 last year.
The UK diesel production gains have fallen entirely to
Ford, whose output — largely thanks to the DI unit — rose by 4 per cent, and to Freight Rover, BL's van-producing subsidiary.

Freight Rover's All 1982.

Again, a major influence in the growth has been Ford, which spent £196m to bring into production at Dagenham last year its 1.6 litre light diesel with an initial output of 150,000 units a year. Already, capacity is being increased to 205,000 a grew in the wake of two oil year, to cater not only for crises, the growth of the diesel was demand-led.

But manufacturers have been burgeoning demand in the cars sector—where it is fitted to the Fiesta. Escort and Orion—but for the growth has been Ford.

Again, a major influence in the growth has been Ford.

Which spent £196m to bring into production at Dagenham last year its 1.6 litre light diesel with an initial output of 150,000 units a year. Already, capacity is being increased to 205,000 a year. The control of the growth has been Ford.

But it is seen, too, as a function of actions taken by manufacturers themselves. Initially, as concern about fuel prices become higher in absolute terms.

But it is seen, too, as a function of actions taken by manufacturers themselves. Initially, as concern about fuel prices become higher in absolute terms.

But manufacturers have been ford.

But manufacturers have been ford.

But manufacturers have been ford.

to cover the extra investment recovered in not much more in months, rather than years). than 20,000 miles. And given

In 1982, only 8.9 per cent of Thus Bedford, for example, the 413,000 car-derived vans proversions were taking more than 40 per cent of total sales in the



Former motor racing champion Stirling Moss and world land speed recordholder Richard Noble lannch the UK Post Office's major energy-saving drive in a Bedford CF electric van

Moving towards the market

Electric vehicles

IOHN GRIFFITHS

IN THE U.S., the Tennessee Valley Authority has been freezing a Luton, England-built Bedford CF van at minus 20 dec C for eight hours at a stretch to make sure there are no starting problems.

On the streets of Hong Kong, a pair of CFs are shortly to be a pair of Crs are shortly to be seen running eround in the livery of the China Light and Power utility. Quebec Hydro, the Canadian power utility, is about to start using one, as are authorities in Ontario, Sweden

authorities in Ontario, Sweden and Denmark.
The CFs are all electric models, guinea pigs in a well-defined strategy by General Motors' UK commercial vehicles subsidiary to explore the potential of electric commercials on a fully international

What began as a UK-only initiative, involving collabora-tion between Bedford and Lucas-Chloride EV Systems on joint development of the CF electric van, now has North

bus division, now the UK com-pany's parent based at Pontiac,

Much of the impetus for the international approach has been provided by research indicating that in the U.S. alone, there exists a total of 3im petrolpowered light commercials which lend themselves to being

substituted by "EVs."

This potential is defined by the fact that they have a payload of about one tonne, are used on regular daily routes not exceeding 50 miles, and that they return to an overnight

"So you don't need much of a percentage to achieve real volumes," observes Mr Ken Malma, formerly responsible for Bedford sister company Vauxhall's car sales, and who is now Bedford's electric vehicles

manager.
It is a post created at the beginning of 1984 when Bed-ford, claiming a "world first" in putting an electric van into commercial production on commercial production on normal vehicle assembly lines, rolled its first CF electric out

Versions

Strictly speaking, Bedford's claim was correct only in that it was a "world first" for a van More than two years earlier
Dodge, now Renault Truck
Industries, had begun building
electric versions of its "50" series truck, with a 2-tonne payload, on the "50" assembly lines at Dunstable.

And just a few days after the first electric CF was completed, the first electric Sherpa van came off the Birmingham assembly line of Freight Rover, BLs van-producing subsidiary. Two main conclusions can be

drawn from the activities of these vehicle makers and Lucas-Chloride EV Systems, whose technology and drivetrains are shared by all three: That the UK industry can legitimately lay claim to being the world leader in electric the world leader in electric vehicle development, in that no other volume manufacturers have them in commercial production (not least, however, because many think the EV is still a white elephant);

And that it is Bedford which is now setting the pace in trying to persuade operators to take them seriously.

trying to persuade operators to take them seriously.

The industry remains very much at a fiedgling stage, and progress has been distinctly patchy. It was envisaged, for example, that up to 20 a month of the 7.5 tonnes gross Dodge 50 electric truck would be built at Dunstable. Demand has been far below that level. far below that level.

The few that have been built have gone mainly to electricity authorities, and Renault Truck

them only on an "as and when " order basis. Leyland Vehicles has also built an electric ver-sion of its Roadsunner truck, but it is a prototype and there are no firm plans for commer-

Freight Rover has built sub-stantially more electric Sharpas — about 150 last year, with an expected 150-200 in the current year. It has been winning some commercial customers for the vans, cather than the utilities and local authorities who hitherto have been the main recipients of the vehicles. One is a London baker. Even so, Freight Rover acknowledged that for the company, EVs remain very much a fringe business.
The most significant order-

for Bedford as well as Freight Rover — has been from the Post Office. It has taken delivery of a total of 80 electric vans from the two companies.

They are now undergoing trials likely to take at least two years and if, as the PO believes is likely, they show significant cost savings over diesel versions of the vans, it has indicated that it may well replace its fleet of 4,000 diesel panel vans used on fixed delivery rounds with

America in particular targetten as offering a potential market far in excess of the 4,000 electric vehicles a year which Mr Des Savage, Bedford's marketing director, has suggested could be reached in the UK by the end of the decade.

That in itself could create the basis for commercially viable electric van production, in which the current "market entry" subsidy of about 44,000 err vehicle put up by the Department of Trade and Industry to encourage "EV" developthe end of the decade.

Bedford's initiative has grown try to encourage "EV" development could be progressively wound down.

Bedford, however, is not pre michigan, and the Electric Vehicle Development Corporation of the U.S., an enterprise jointly funded by North America's major utilities.

A four-stage plan initiated with the production of 179 electric CFs between January and April last year is now on phase two, entailing the current pro-duction of a further batch of 125 vehicles. Ninety of this second batch have bee the UK. But 30 are finding their way into the U.S. and Canada, under the programme organised with the Electric Vehicle Development Corporation and CM truck and hus

1. E. S

The vehicles will be used by a number of utilities, providing the oportunity for a skeletal sales and support infrastructure

to be set up.

Phase three, says Mr Malnia, will take place between the middle of next year and mid-1987 and will involve the supply of a further 1,000 vehicles to utilities.

After that, he indicates, "with a proper infrastructure in place, the whole thing will be opened up to the

be opened up to the market."

The principal limitations of the electric vehicle remain: restricted range and the need for eight-hour, overnight charging—quite apart from cost considerations.

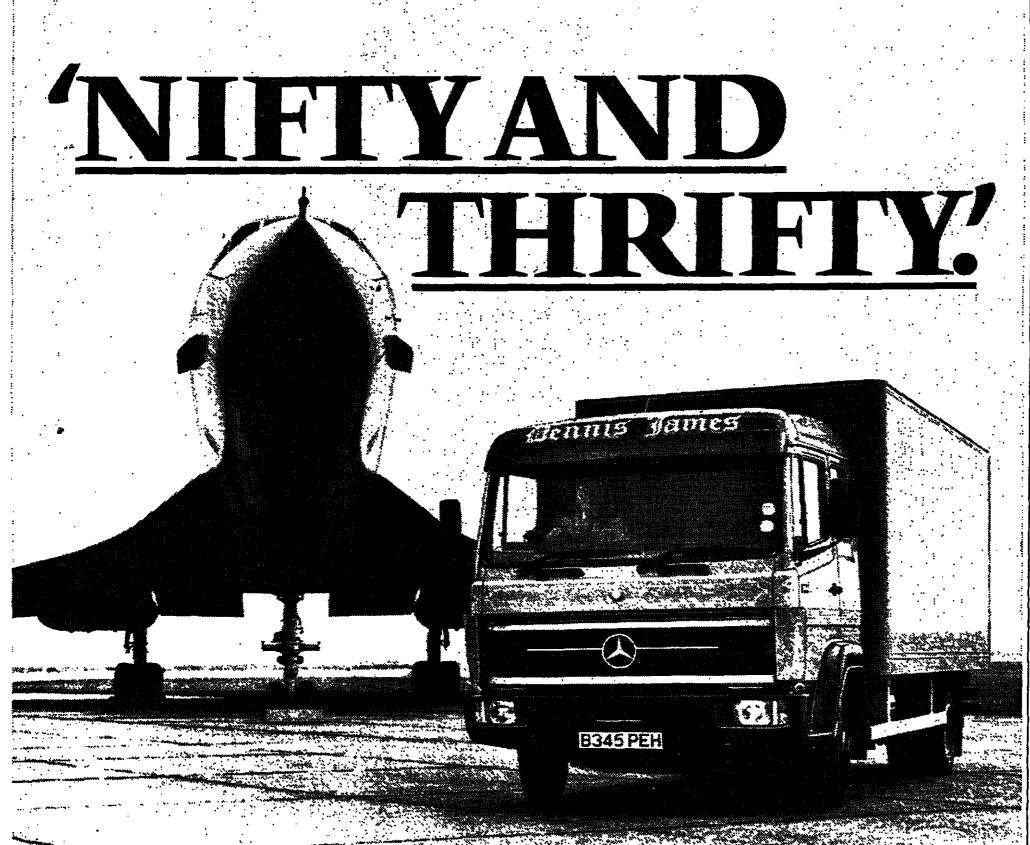
However, progress is being made. Mr Malnia says recent improvements in lead-acid battery technology are giving a 15-20 per cent increase in energy density. That's enough to give the CF a range of 70 miles in favourable circumstances.

stances Next year, he suggests, the first CF prototype to be fitted with sodium-sulphur batteries developed by Chloride Silent Power should be on the read; with commercial production by 1990. A CF thus equipped, he insists, can expect a range increased significantly to about 150 miles or alternatively pay-load could be increased to two

Mr Malnia concedes that "the payback, in operator terms, is not good enough yet "—a reference to the fact that even with the DTI subsidy the electric CF is expensive in initial purchase terms. Its current price is £6,350—slightly more than a petrol version—to which must be added £3,300 for the battery be added £3,300 for the battery pack and £375 for the charger. Bedford can argue, however, that batteries should be seen as a fuel, not capital cost. Viewed in that light, the fuel cost of the electric CF is 2p a mile compared with 11p a mile for the petrol version. There is also no road fund licence to pay.

With lower maintenance costs (EVs don't vibrate, significantly increasing reliability) and

increasing rediability) and greater longevity, Bedford maintains that whole life costs are comparable with a diesel van over six years and 65,000-70,000 miles, and that the life of the electric version is considerably lonser.



Making regular, punctual deliveries of fine bone china to Concorde requires a special breed of truck. Dennis James believes he has found it. In the new

Mercedes 71/2 tonner, the 814. "This one's been running for 9 months now Like

As his fleet already consisted of fourteen Mercs (from 307s to artics). Dennis was eager to add the 814 as soon as it came on to the market.

"It was just the job," he explains. "There wasn't a van large enough or a truck small enough to fit our needs. We were relying on our dealer to come up with the goods again. He never fails.

"The 814 does a specialist job without demanding an 🦠 HGV. The driver wants to take it home with him!"

Operating through the rigograph conton traffic to the ins and outs of Heathrow Airport speaks volumes for the 814's manoeuvrability, but how reliable is it?

"It's a Mercedes. I don't even expect anything to go wrong. The fleet made over 26,000 drops last year, over one million kilometres without a major problem. The 814 had a tough act to follow. But it's well on the way it's done 48,750 kms between here and London so far, at 60 drops a week. And it still averages 18 mpg.

"With the cover of the Mercedes warranty on top, we'd struggle to do without it now."

It seems that the 'plane of the era and the Truck of the Year have a lot in common.

"Nifty and thrifty. We can't afford to be late because they can't afford to wait."

METICULOUS ENGINEERING DOESN'T COST YOU.